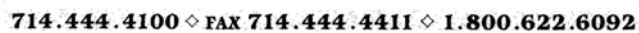


IN THE MATTER OF THE: )  
 )  
REGULAR BUSINESS MEETING )

PLACE: BOARD HEARING ROOM  
8800 CAL CENTER DRIVE  
SACRAMENTO, CALIFORNIA

BRS FILE NO.: 43547



APPEARANCES

MR. DANIEL G. PENNINGTON, CHAIRMAN  
MR. ROBERT C. FRAZEE, VICE CHAIRMAN  
MR. WESLEY CHESBRO, MEMBER  
MS. JANET GOTCH, MEMBER  
MR. STEVEN R. JONES, MEMBER  
MR. PAUL RELIS, MEMBER

STAFF PRESENT

MR. RALPH CHANDLER, CHIEF EXECUTIVE OFFICER  
MR. KEITH SMITH, DEPUTY EXECUTIVE DIRECTOR  
MS. KATHRYN TOBIAS, CHIEF LEGAL COUNSEL  
MS. MARLENE KELLY, BOARD SECRETARY  
MS. PATTI BERTRAM, ADMINISTRATIVE ASSISTANT



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1 SACRAMENTO, CALIFORNIA; WEDNESDAY, JANUARY 28, 1998

2 9:30 A.M.

3

4 CHAIRMAN PENNINGTON: MORNING. AND WELCOME TO

5 THE JANUARY MEETING OF THE CALIFORNIA INTEGRATED WASTE

6 MANAGEMENT BOARD. WILL THE SECRETARY PLEASE CALL THE

7 ROLL.

8

9 THE SECRETARY: BOARD MEMBER CHESBRO.

10 BOARD MEMBER CHESBRO: HERE.

11 THE SECRETARY: FRAZEE.

12 BOARD MEMBER FRAZEE: HERE.

13 THE SECRETARY: GOTCH.

14 BOARD MEMBER GOTCH: HERE.

15 THE SECRETARY: JONES.

16 BOARD MEMBER JONES: HERE.

17 THE SECRETARY: RELIS.

18 BOARD MEMBER RELIS: HERE.

19 THE SECRETARY: CHAIRMAN PENNINGTON.

20 CHAIRMAN PENNINGTON: HERE. WE HAVE A

21 QUORUM.

22 DO ANY BOARD MEMBERS HAVE ANY EX PARTE

23 COMMUNICATIONS TO REPORT?

24 BOARD MEMBER GOTCH: NOT ME.

25 CHAIRMAN PENNINGTON: I KNOW WE ALL HAVE A TON

OF THEM. AND I'VE RECEIVED 72 CARDS AND LETTERS ON



1 AGENDA ITEM 22, SIX LETTERS ON AGENDA ITEM 12, TWO  
2 LETTERS ON AGENDA ITEM 18, AND ONE LETTER ON PUBLIC  
3 HEARING ITEM 28 THROUGH 31. THIS LIST HAS BEEN  
4 SUBMITTED FOR THE RECORD, SO I'M SURE THAT THOSE 72,  
5 THAT YOU PROBABLY HAVE GOTTEN COPIES OF. THEY'VE  
6 ALREADY BEEN PUT INTO THE RECORD, SO WE DON'T NEED TO  
7 DO THAT.

8 OKAY. MR. CHESBRO, ANY OTHERS?

9 BOARD MEMBER CHESBRO: I THINK THEY HAVE BEEN  
10 OTHERWISE DEALT WITH IN TERMS OF THE PRIOR PROCEDURES  
11 OR THE LIST THAT YOU ARE SUBMITTING.

12 CHAIRMAN PENNINGTON: MRS. GOTCH.

13 BOARD MEMBER GOTCH: BRIEF HELLO WITH GEORGE  
14 LARSON JUST A MOMENT AGO, AND THEN I WILL SUBMIT MY  
15 LIST ALSO.

16 CHAIRMAN PENNINGTON: OKAY. VERY GOOD. THANK  
17 YOU.

18 BOARD MEMBER FRAZEE: MINE ARE ALL FILED IN  
19 THE RECORD.

20 CHAIRMAN PENNINGTON: OKAY.

21 BOARD MEMBER RELIS: SAME. I'LL SUBMIT MY  
22 LIST, AND EVERYTHING ELSE IS ON FILE.

23 CHAIRMAN PENNINGTON: OKAY. GREAT. MR.  
24 JONES.

25 BOARD MEMBER JONES: JUST SAID HELLO TO A FEW



1 FOLKS FROM OROVILLE, BUT WE DIDN'T REALLY TALK ABOUT  
2 THE ISSUE. I DO WANT TO, BECAUSE WE GOT AN AWFUL LOT  
3 OF THESE, WE'VE MADE COPIES, WE'VE NUMBERED THEM, WE'VE  
4 NAMED THEM, AND WE'VE LISTED THEM FOR YOU. IF IT  
5 HASN'T ALREADY BEEN DONE, THIS WILL BE -- AND I KNOW  
6 EVERY OTHER BOARD MEMBER GOT CC.'D ON EVERY ONE OF  
7 THOSE, SO THAT'S THAT LIST.

8 CHAIRMAN PENNINGTON: OKAY. LET'S SEE. I  
9 THINK THAT COVERS JUST ABOUT EVERYBODY THAT I'VE HAD  
10 CONTACT WITH.

11 BOARD MEMBER CHESBRO: MR. CHAIRMAN.

12 CHAIRMAN PENNINGTON: YES.

13 BOARD MEMBER CHESBRO: SITTING HERE THINKING  
14 ABOUT IT NOW, I REMEMBER TWO ORAL COMMUNICATIONS OVER  
15 THE LAST SEVERAL DAYS REGARDING AGENDA ITEMS TODAY.  
16 ONE WAS WITH LIZ CITRINO, WHO'S THE RECYCLING  
17 COORDINATOR FOR HUMBOLDT COUNTY, AND ALSO THE -- I  
18 SPOKE WITH THE CITY MANAGER OF THE CITY OF ARCATA.

19 CHAIRMAN PENNINGTON: OKAY. VERY GOOD. FOR  
20 THOSE OF YOU IN THE AUDIENCE, THERE ARE SPEAKER REQUEST  
21 FORMS IN THE BACK AT THE TABLE BEHIND THE BACK OF THE  
22 ROOM. IF YOU WISH TO SPEAK, PLEASE FILL ONE OUT AND  
23 GET IT TO MS. KELLY, WHO WILL MAKE SURE THAT WE KNOW OF  
24 YOUR DESIRE TO SPEAK ON ANY OF THE ITEMS.  
25 ANNOUNCEMENTS, ITEM 25 HAS BEEN PULLED.





1 WE'LL BRING THIS ITEM BACK AT THE -- TO THE BOARD IN  
2 FEBRUARY. I THINK THAT'S THE ITEM DEALING WITH  
3 COMMITTEES, JUST THAT, AS I SPOKE TO EACH OF THE BOARD  
4 MEMBERS, OUR PLAN ON THE COMMITTEES IS JUST TO WAIT  
5 UNTIL THINGS ARE SETTLED DOWN A LITTLE BIT AND WE'LL  
6 ADDRESS THAT ISSUE.  
7 AS MOST OF YOU KNOW, THERE WERE SOME  
8 CHANGES ON THE BOARD TEAM. MR. DANIEL EATON WAS  
9 APPOINTED AS A MEMBER OF THE BOARD ON JANUARY 21, 1998,  
10 BY THEN SPEAKER -- ASSEMBLY SPEAKER CRUZ BUSTAMANTE;  
11 HOWEVER, TO ASSIST IN THE TRANSITION OF THE SPEAKER  
12 LEADERSHIP, MR. EATON WILL REMAIN WITH THE ASSEMBLY  
13 UNTIL THE TRANSITION IS COMPLETED. BOARD MEMBER GOTCH  
14 HAS AGREED TO REMAIN WITH THE BOARD UNTIL MR. EATON HAS  
15 COMPLETED HIS WORK AT THE ASSEMBLY.  
16 AS YOU MAY ALSO KNOW, THAT BOARD MEMBER  
17 RELIS HAS DECIDED TO LEAVE THE BOARD AT THE END OF THIS  
18 MONTH. WE WILL HAVE A RECEPTION FOR MR. RELIS HERE IN  
19 THE BOARD ROOM AT THE END OF THE MEETING TODAY.  
20 TO HONOR HIS MANY ACCOMPLISHMENTS, I'D  
21 LIKE TO TAKE A FEW MINUTES TO PRESENT A RESOLUTION FROM  
22 THE BOARD TO MR. RELIS, AND I THINK WE MAY HAVE SOME  
23 COMMENTS FROM OTHER BOARD MEMBERS, AND THEN WE'LL MOVE  
24 ON.  
25 I'VE BEEN CHAIRING THIS BOARD FOR TWO AND



1 A HALF YEARS NOW. AND I THINK THAT DURING THE LAST  
2 YEAR SINCE WE'VE HAD A FULL BOARD COMPLEMENT, IT HAS  
3 BEEN A DELIGHT AND A PLEASURE. A LOT OF THE REASONS  
4 THAT IT'S BEEN A DELIGHT AND PLEASURE IS BECAUSE OF YOU  
5 AND YOUR CONTRIBUTIONS TO MAKING THE HARD DECISIONS,  
6 THE TOUGH DECISIONS, AND BRINGING TO THE BOARD YOUR  
7 EXPERTISE IN THE ENVIRONMENTAL FIELD. AND I CAN TELL  
8 YOU THAT I, AS ONE BOARD MEMBER, AND I'M SURE THAT OUR  
9 COLLEAGUES ON THE BOARD ALL AGREE, THAT WE WILL MISS  
10 YOU. WE WILL MISS YOUR WIT, YOUR INTELLIGENCE, AND  
11 YOUR HELP ON A LOT OF DIFFICULT ISSUES.  
12 SO WITH THAT, I'M GOING TO READ THE  
13 RESOLUTION THAT WE'RE GOING TO DO TO YOU, SO YOU WILL  
14 HAVE TO STAND FOR A WHILE.  
15 WHEREAS, THE CALIFORNIA INTEGRATED WASTE  
16 MANAGEMENT BOARD IS RESPONSIBLE FOR WORKING WITH LOCAL  
17 GOVERNMENTS AND THE SOLID WASTE INDUSTRY TO HELP  
18 CALIFORNIA MEET ITS WASTE DIVERSION MANDATES AND  
19 ESTABLISH MARKETS FOR RECYCLABLE MATERIALS; AND.  
20 WHEREAS, PAUL RELIS, ONE OF THE WASTE  
21 BOARD'S LONGEST SERVING MEMBERS, HAS CHAIRED ITS MARKET  
22 DEVELOPMENT COMMITTEE AND SERVED ON THE PLANNING AND  
23 ENFORCEMENT COMMITTEE; POLICY, RESEARCH, AND TECHNICAL  
24 ASSISTANCE COMMITTEE, AND LOCAL ASSISTANCE AND PLANNING  
25 COMMITTEE, AND IN THESE CAPACITIES, AMONG OTHER



1 ACCOMPLISHMENTS, HAS EFFECTIVELY IMPLEMENTED A MARKET  
2 DEVELOPMENT PROGRAM THAT HAS PROVIDED CALIFORNIA  
3 RECYCLING BUSINESSES WITH NEARLY 50 MILLION IN CAPITAL  
4 WHILE CREATING MORE THAN 600 NEW JOBS; AND,  
5 WHEREAS, HE HELPED BUILD A COMPOSTING  
6 BASED INDUSTRY, AN INSTRUMENTAL TOOL IN THE STATE'S  
7 WASTE DIVERSION EFFORT THAT IS INCREASING THE SAFE AND  
8 COST-EFFECTIVE USE OF MULCH AND COMPOST SOIL AMENDMENTS  
9 BY CALIFORNIA GROWERS; AND.  
10 WHEREAS, HE HAS BEEN AN ENVIRONMENTAL  
11 AMBASSADOR FOR CALIFORNIA, ASSISTING THE ADMINISTRATION  
12 IN DELIVERING POLICIES TO ENCOURAGE THE EXPORT OF  
13 CALIFORNIA'S ENVIRONMENTAL TECHNOLOGY AND SERVICES TO  
14 THE PEOPLE'S REPUBLIC OF CHINA; AND.  
15 WHEREAS, PAUL RELIS, THROUGHOUT HIS  
16 PROFESSIONAL ENDEAVOR, HAS BEEN A GUARDIAN OF THE  
17 ENVIRONMENT, SERVING IN NUMEROUS POSTS, INCLUDING  
18 PRESIDENT OF THE COMMUNITY ENVIRONMENTAL COUNCIL IN  
19 SANTA BARBARA WHERE HE PARLAYED A - - PLAYED A MAJOR  
20 ROLE.  
21 BOARD MEMBER RELIS: WATCH THAT WORD THERE.  
22 CHAIRMAN PENNINGTON: I KNOW YOU ARE PROBABLY  
23 GOING TO GET INTO INDUSTRY NOW.  
24 -- PLAYED A MAJOR ROLE IN DEVELOPING  
25 SANTA BARBARA'S RECYCLING AND HAZARDOUS WASTE PROGRAMS



1 AND MEMBER OF THE SENATE TASK FORCE ON SOLID WASTE AND  
2 HAZARDOUS WASTE WHERE HE HELPED DEVELOP A WASTE  
3 MANAGEMENT STRATEGY FOR CALIFORNIA THAT LED TO THE  
4 INTEGRATED WASTE MANAGEMENT ACT OF 1989; AND.  
5 WHEREAS, PAUL RELIS IS RESIGNING HIS  
6 WASTE BOARD POST ON JANUARY 31, 1998, TO PURSUE OTHER  
7 OPPORTUNITIES CLOSER TO HOME.  
8 NOW, THEREFORE, BE IT RESOLVED THAT THE  
9 CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD, IN  
10 APPRECIATION FOR HIS CONTINUED COMMITMENT TO ITS GOALS  
11 AND PHILOSOPHIES, DOES HEREBY COMMEND PAUL RELIS FOR  
12 HIS EXEMPLARY CONTRIBUTIONS TO THE BOARD AND FOR HIS  
13 EXCELLENCE IN ENVIRONMENTAL LEADERSHIP AND WISH HIM  
14 WELL IN THE FUTURE.  
15 (APPLAUSE.)

16 BOARD MEMBER RELIS: THANK YOU. LITTLE  
17 OVERWHELMING HERE. JUST I DID SCRATCH OUT A FEW NOTES  
18 ON THE WAY HERE. CAN'T PASS UP THIS OPPORTUNITY.  
19 FIRST, I WANT TO THANK GOVERNOR WILSON  
20 FOR APPOINTING ME TO THE BOARD. IT'S -- AND APPOINTING  
21 ME AGAIN ONCE MORE AND THE SENATE FOR CONFIRMING ME  
22 BECAUSE YOU CAN'T DO IT UNLESS YOU GET CONFIRMED, SO  
23 I'M GRATEFUL FOR BOTH ACTIONS.  
24 IT'S BEEN A REAL PRIVILEGE. IT'S BEEN, I  
25 THINK, WITHOUT A DOUBT, AN HONOR TO SERVE CALIFORNIA



1 BECAUSE THAT'S HOW I ALWAYS ENVISIONED THIS JOB. WE  
2 SERVE THE STATE AND ALL THE PEOPLE HERE. AND FOR SIX  
3 AND A HALF YEARS I'VE HAD THE PRIVILEGE OF REPRESENTING  
4 THE ENVIRONMENTAL COMMUNITY. AND THE ENVIRONMENTAL  
5 COMMUNITY IS, YOU KNOW, A BROAD STATEMENT, SO SOMETIMES  
6 YOU ARE NOT CLEAR WHAT IS IT, SO YOU TRY TO INTERPRET  
7 IT AS BEST YOU CAN.  
8 BUT I WANT TO ESPECIALLY THANK THE  
9 CALIFORNIANS AGAINST WASTE FOR YOUR SUPPORT THROUGHOUT  
10 MY YEARS AT THE BOARD, TO THE PLANNING AND CONSERVATION  
11 LEAGUE, TO THE SIERRA CLUB, THE NATURAL RESOURCES  
12 DEFENSE COUNCIL, WHO HAVE ALL PLAYED ACTIVE ROLES  
13 BEFORE THIS BOARD, AND MOST ESPECIALLY TO MY PRIOR  
14 ORGANIZATION, THE COMMUNITY ENVIRONMENTAL COUNCIL OF  
15 SANTA BARBARA, WHERE I LEARNED A LOT OF THINGS WHICH  
16 I'VE BEEN ABLE TO TRY AND APPLY HERE.  
17 IN 1989 CALIFORNIA TOOK A LEAP INTO THE  
18 UNKNOWN WHEN AB 939 WAS ENACTED. AT THAT TIME 90  
19 PERCENT OF, OUR WASTE WAS GOING TO LANDFILLS, MANY OF  
20 WHICH WERE UNLINED, AND THE PROSPECT OF A 50-PERCENT  
21 DIVERSION RATE SEEMED ALMOST LIKE FICTION, FRANKLY, FOR  
22 MANY. TODAY ABOUT 65 PERCENT OF THE WASTE IN THE STATE  
23 IS LANDFILLED. WE HAVE HUNDREDS OF COMPREHENSIVE  
24 RECYCLING AND COMPOSTING PROGRAMS THANKS TO OUR  
25 PARTNERSHIP WITH LOCAL GOVERNMENTS. SOME 40



1 JURISDICTIONS AT LAST COUNT, IF I'M RIGHT HERE, ARE  
2 REPORTING THAT THEY ARE AT 50 PERCENT AS WE STAND OR  
3 SIT HERE TODAY. WE HAVE ALSO HUNDREDS OF COMPANIES  
4 INVOLVED IN THIS INDUSTRY NOW.  
5 ALL OF YOU, MANY OF YOU HERE TODAY, THE  
6 STAFF AND PEOPLE IN THE INDUSTRY, PEOPLE REPRESENTING  
7 THE ENVIRONMENTAL COMMUNITY, HAVE PLAYED VERY  
8 SIGNIFICANT ROLES IN ADDITION TO THE BOARD IN BRINGING  
9 THIS ABOUT. THIS HAS TAKEN A GREAT DEAL OF WORK ON  
10 EVERYBODY'S PART, AND I JUST WANT TO THANK ALL OF YOU  
11 FOR YOUR ROLE.  
12 I WOULD LIKE TO JUST GO DOWN A QUICK LIST  
13 OF THE THINGS I ENJOYED WORKING MOST ON, SOME I ENJOYED  
14 WORKING A LITTLE LESS ON, BUT STILL, THE COMPOST REGS,  
15 THE LOAN SALE, THE COMPOST DEMONSTRATIONS AND OUTREACH  
16 TO AGRICULTURE, THE GREEN BUILDING WORK THAT WE'RE  
17 GETTING INTO, VERY EXCITING, THE TECHNICAL ASSISTANCE  
18 GRANT TO L.A. COUNTY -- IF THERE'S ANYONE FROM L.A.  
19 COUNTY HERE -- FOR THE CRUMB RUBBER, USE OF RUBBER IN  
20 ROADWAYS, PAVING SURFACES, THE SHIFT TO DISPOSAL BASED  
21 FROM THE DIVERSION. REMEMBER A LONG TIME AGO WE HAD  
22 THIS COMPLEX SYSTEM THAT WE CHANGED. THE EMERGENCY  
23 ENFORCEMENT, DOROTHY AND THE PERMITS AND ENFORCEMENT  
24 BRANCH, STRENGTHENING THE LEA ENFORCEMENT AND  
25 EVALUATION, THE DISASTER PLAN, WHICH FITZ WORKED VERY



1 HARD ON, THE MARKET DEVELOPMENT PLAN. THOSE ARE A FEW  
2 OF THE THINGS THAT I LOOK BACK ON WITH SOME SENSE OF  
3 ACCOMPLISHMENT.  
4 NOW, JUST IN CONCLUSION, A FEW THINGS  
5 I'VE COME TO APPRECIATE ON THIS JOB. FIRST, THE PUBLIC  
6 PROCESS THAT I THINK THAT IS AFFORDED BY THE BOARD. I  
7 THINK THAT WE HAVE -- WE'VE BEEN A VERY FINE  
8 DELIBERATIVE BODY WHEN THE INFORMATION IS BEFORE US AND  
9 WE HAVE AN OPPORTUNITY TO WORK WITH THOSE WHO ARE HERE  
10 REPRESENTING DIFFERENT INTERESTS TO HAMMER OUT THE  
11 ISSUES. I THINK THE PUBLIC PROCESS HAS WORKED AND IT  
12 WILL CONTINUE TO WORK.  
13 I HAVE A GREAT RESPECT FOR WELL-CRAFTED  
14 REGULATIONS. I'VE COME TO REALIZE HOW DIFFICULT IT IS  
15 TO TRANSLATE A LAW AND INTENT INTO A WORKING SET OF  
16 REGULATIONS. AND WE'VE DONE IT IN A FEW CASES. WE'VE  
17 STRUGGLED IN OTHERS. IT'S, FOR THOSE OF YOU WHO  
18 HAVEN'T BEEN THROUGH THAT PROCESS, VERY DIFFICULT. AN  
19 APPRECIATION FOR THE TALENTS AND DEDICATION OF STAFF OF  
20 THIS BOARD AND TO OTHER STATE AGENCIES WHO I'VE HAD A  
21 CHANCE TO WORK WITH.  
22 GOVERNMENT SERVICE IS AN HONORABLE THING,  
23 AND I THINK IT'S BEEN MUCH MALIGNED OVER THE YEARS.  
24 AND I REALLY RESPECT WHAT ALL OF YOU DO DAY IN AND DAY  
25 OUT. YOU KEEP THE WHOLE SYSTEM GOING. WE COME AND GO



1 AS APPOINTEES, BUT YOU ARE RESPONSIBLE AND HAVE UPHELD  
2 THE STANDARDS OF HIGH PUBLIC SERVICE. AND I HOPE YOU  
3 WILL ALL KEEP TO THAT.  
4 AND THEN FINALLY, THE DIVERSITY OF THIS  
5 STATE, ITS VITALITY, WITH 33 MILLION PEOPLE NOW. I'VE  
6 HAD A CHANCE IN THIS JOB TO TRAVEL THIS STATE HEAVILY,  
7 AND THE ONE THING I BRING AWAY FROM BEING UP HERE --  
8 I'M A COASTAL CALIFORNIAN ALL MY LIFE, SO I CAME INLAND  
9 FOR THIS JOB. AND I'VE LEARNED TO LOVE THIS GREAT  
10 VALLEY, WORKING WITH THE FARMERS AND THE COMPOSTING AND  
11 ALL THAT. I THINK THIS VALLEY IS, WITHOUT A DOUBT, ONE  
12 OF THE GREAT RESOURCES OF THE WORLD, AND I HOPE IT WILL  
13 BE PROTECTED. AND I HOPE AGRICULTURE WILL CONTINUE TO  
14 FLOURISH HERE AS IT WILL NO OTHER -- AT NO OTHER LEVEL.  
15 AND FINALLY, I WANT TO THANK MY  
16 COLLEAGUES ON THE BOARD FOR ALL OF OUR HARD WORK  
17 TOGETHER, OUR HAMMERING OUT ISSUES, OUR DISAGREEMENTS,  
18 OUR AGREEMENTS, WHATEVER. THAT'S THE WAY IT WORKS UP  
19 HERE. WE ALL REPRESENT DIFFERENT INTERESTS AND  
20 DIFFERENT BACKGROUNDS, AND THEN WE COME TOGETHER AND  
21 TRY TO RESOLVE COMPLICATED ISSUES.  
22 I COULDN'T -- AND THE EXECUTIVE STAFF,  
23 RALPH, KATHRYN, DOROTHY, CAREN. I'M GOING TO MISS A  
24 LOT OF PEOPLE AND NAMES.  
25 BUT FINALLY, I'D LIKE TO ASK HOWARD





1 LEVENSON -- HOWARD, WOULD YOU JUST WAVE THERE, PLEASE?  
2 WHEN I GOT THIS JOB, I KNEW HOWARD WHEN HE WAS AT THE  
3 CONGRESS OFFICE OF TECHNOLOGY ASSESSMENT, AN  
4 INSTITUTION THAT SADLY DOES NOT EXIST ANYMORE, BUT IT  
5 WAS THE THINK TANK FOR THE U.S. CONGRESS. I WAS VERY  
6 FORTUNATE TO TRY TO ENTICE HIM TO COME OUT TO  
7 CALIFORNIA, AND HE DID IT, AND I'M ETERNALLY GRATEFUL  
8 FOR OUR WORK TOGETHER. WE'VE HAD A GREAT WORKING  
9 RELATIONSHIP.  
10 AND FITZ, WHERE'S FITZ? FITZ FITZGERALD,  
11 WHOSE -- WHEN I FOUND OUT HE WAS A FULL COLONEL, FORMER  
12 WING COMMANDER IN THE AIR FORCE AND HAD MANAGED AN  
13 ENTIRE BASE, I SAID, "I THINK I SHOULD BE WORKING FOR  
14 YOU, NOT THE OTHER WAY AROUND." FITZ HAS DONE AN  
15 AMAZING JOB IN FURTHERING THE MARKET EFFORTS AT THIS  
16 BOARD.  
17 TO DONNELL -- WHERE IS DONNELL? --  
18 DONNELL WHO ALL OF YOU ON THE THIRD FLOOR KNOW IS BOTH  
19 GRACIOUS -- SHE CAN BE VERY HARD ON ME AT TIMES. SHE  
20 DOESN'T LET ANYTHING PASS, SO I'VE LEARNED TO RESPECT  
21 DONNELL GREATLY, AND I'M HOPEFUL THAT ALL THREE OF  
22 THESE INDIVIDUALS WILL CONTINUE TO BE A PART OF THE  
23 WORK HERE. AND I GUESS THAT'S IT. THAT'S THE  
24 WRAP-UP. THANKS.  
25 (APPLAUSE.)



1 CHAIRMAN PENNINGTON: MR. CHESBRO.

2 BOARD MEMBER CHESBRO: YES, MR. CHAIRMAN. OF

3 ALL THE MEMBERS OF THE BOARD, I THINK I'VE KNOWN PAUL

4 THE LONGEST, WELL BEFORE WE BOTH ARRIVED HERE AT THE

5 BOARD, AND ALSO WE'VE SERVED THE LONGEST TOGETHER. AND

6 I SERVED ON THE SENATE TASK FORCE THAT DID THE GROUND

7 WORK. WE HELD HEARINGS AROUND THE STATE, ADVISED THE

8 LEGISLATURE THAT ULTIMATELY LED TO AB 939 BEING

9 INTRODUCED AND PASSED. AND SO WE'VE SPENT A LOT OF

10 TIME TOGETHER. AND WE'VE HAD OUR LOW POINTS, BUT WE'VE

11 ALSO HAD SOME VERY HIGH POINTS. AND I'M ONLY GOING TO

12 TALK ABOUT THE HIGH POINTS TODAY.

13 I HAVE A GREAT DEAL OF RESPECT FOR YOU,

14 PAUL, AND THE CONTRIBUTE[ON YOU'VE MADE HERE. I THINK

15 MORE THAN ANY OTHERBOARD MEMBER WHO'S EITHER HERE

16 CURRENTLY OR WHO'S COME AND GONE OVER THE LAST SEVEN

17 YEARS, YOU HAVE HAD A FOCUS. YOU HAVE, YOU KNOW, KNOWN

18 WHAT YOUR PRIORITY WAS HERE AND YOU'VE STUCK TO IT.

19 AND, YOU KNOW, YOU'VE DEALT WITH THE OTHER ISSUES YOU

20 WERE RESPONSIBLE FOR HERE AT THE BOARD, IT'S NOT THAT

21 YOU NEGLECTED THEM, BUT YOU, WHENEVER GIVEN THE

22 OPPORTUNITY, HAVE EXPENDED YOUR ENERGY FOR THE THING

23 THAT YOU FELT WAS THE MOST IMPORTANT HERE AT THE BOARD.

24 I THINK THAT THAT HAS LED TO CONCRETE RESULTS THAT ARE

25 QUITE SPECTACULAR.



1 OBVIOUSLY YOU HAVEN'T DONE IT ALONE, AND  
2 YOU'VE ACKNOWLEDGED THE MANY PEOPLE WHO HAVE  
3 CONTRIBUTED TO IT, BUT I THINK YOUR LEADERSHIP,  
4 PARTICULARLY IN THE AREA OF GREEN WASTE RECYCLING IN  
5 CALIFORNIA, HAS CREATED TRULY HISTORIC CHANGE THAT I  
6 THINK DEMONSTRATES WHAT CAN BE DONE WITH PRIVATE-PUBLIC  
7 PARTNERSHIP.  
8 YOU KNOW, WHEN WE STARTED THIS BUSINESS  
9 AND WE SAID, "GEE. HOW DO YOU CONVINCE FARMERS TO TAKE  
10 URBAN WASTE AND PUT IT INTO THEIR SOIL," IT SEEMED LIKE  
11 AN IMPOSSIBLE TASK. AND YET I THINK THROUGH A HUGE  
12 COOPERATIVE EFFORT AND PARTNERSHIP THAT YOU HAVE LED,  
13 WE'VE MADE TREMENDOUS PROGRESS. AND I THINK IT'S  
14 IRREVERSIBLE. I THINK WE'RE GOING TO SEE THAT PROBLEM  
15 SOLVED, AND YOU PERSONALLY HAVE PLAYED A GREAT, GREAT  
16 ROLE IN THAT. AND THAT'S JUST ONE OF MANY THINGS.  
17 THAT'S THE MOST OUTSTANDING, I THINK.  
18 BUT I'M GOING TO MISS YOU, AND I WANT TO  
19 CONGRATULATE YOU AND THANK YOU FOR YOUR CONTRIBUTION.

20 CHAIRMAN PENNINGTON: MS. GOTCH.

21 BOARD MEMBER GOTCH: MY WORDS WILL ONLY ECHO  
22 THE COMMENTS MADE BY MY COLLEAGUES AND BY THOSE IN THE  
23 RESOLUTION. HOWEVER, I DID WANT TO SAY JUST A COUPLE  
24 MORE THINGS. FIRST OF ALL, IT'S BEEN A PLEASURE  
25 WORKING WITH YOU. YOU HAVE MUCH TO BE PROUD OF, AND I



1 KNOW YOU WILL SUCCEED IN YOUR NEW LIFE.  
2 I'VE ENJOYED WORKING WITH YOUR OFFICE AND  
3 YOUR STAFF, AND WE ENJOY MANY OF THE SAME POLICY AND  
4 ENVIRONMENTAL INTERESTS THAT OUR OFFICES HAVE WORKED  
5 WELL TOGETHER ON, SUCH AS THE FEDERAL DEPARTMENT OF  
6 AGRICULTURE, RURAL ECONOMIC DEVELOPMENT MEMORANDUM OF  
7 UNDERSTANDING, AND THE COMPOSTING PROJECTS INCLUDED IN  
8 THE WINE GRAPE REGION.  
9 I TRUST THAT YOU WILL WRITE YOUR BOOK AND  
10 THAT YOU WILL HAVE MANY SUCCESSES IN THE FUTURE. AND  
11 BEST OF LUCK TO YOU.

12 CHAIRMAN PENNINGTON: MR. FRAZEE.

13 BOARD MEMBER FRAZEE: PAUL, THERE ARE MANY  
14 EMOTIONS THAT GO THROUGH MY MIND AT A TIME LIKE THIS.  
15 AND TAKING OFF THE LIST, ONE THAT'S MOST PREVALENT IS  
16 JEALOUSY, THAT IT'S YOU AND NOT ME THAT'S RETIRING.  
17 BUT SERIOUSLY, YOU'VE REPRESENTED  
18 SOMEWHAT OF AN ANCHOR OR ROCK ON THIS BOARD WHILE THE  
19 REST OF US, PARTICULARLY THIS MEMBER, TEND TO GO OFF ON  
20 TANGENTS AT TIMES. YOU'VE ALWAYS BEEN ONE WHO HAS  
21 BROUGHT US BACK TO THE CENTER ROAD AND BEEN A MORE THAN  
22 ADEQUATE REPRESENTATIVE OF THE ENVIRONMENTAL SIDE AND  
23 KEEP US ALWAYS IN TUNE WITH WHAT THE REAL GOAL OF WHAT  
24 THIS BOARD AND THE INTENT OF THE ACT WAS, AND THAT'S TO  
25 PROTECT THE HEALTH, SAFETY, AND THE ENVIRONMENT OF



1 CALIFORNIA. SO FOR THAT, THAT PART OF YOUR  
2 CONTRIBUTION, I WANT TO SINCERELY THANK YOU, WISH YOU  
3 THE VERY BEST IN THE FUTURE AND HOPE THAT OUR PATHS  
4 WILL CROSS AGAIN. I'M SURE THEY WILL.  
5 AND JUST REMEMBER THAT IT TAKES ONE YEAR  
6 BEFORE YOU CAN BE BACK BEFORE THIS BOARD REPRESENTING  
7 THE CLIENT. WITH THAT, PAUL, AGAIN, THANKS VERY MUCH.  
8 AND IT'S BEEN GREAT WORKING WITH YOU. AND JUST WISH  
9 YOU THE VERY BEST FOR THE FUTURE.

10 BOARD MEMBER RELIS: THANKS, BOB. THANK YOU.

11 CHAIRMAN PENNINGTON: MR. JONES.

12 BOARD MEMBER JONES: YEAH, PAUL. I MIRROR

13 WHAT THESE FOLKS SAY. I'M THE NEWEST MEMBER ON THIS  
14 BOARD. I'VE BEEN HERE OR A YEAR. I HAVE TRULY  
15 ENJOYED WORKING WITH YOU ON A LOT OF THESE ISSUES, AND  
16 I ACTUALLY EVEN ENJOYED IT WHEN I WAS OUT IN THE  
17 AUDIENCE AND HAD TO BRING PERMITS AND THINGS IN FRONT  
18 OF THIS BOARD BECAUSE I THINK YOU WERE FAIR IN YOUR  
19 DISCUSSION. I THINK YOU'VE ALWAYS BEEN FAIR IN YOUR  
20 DISCUSSION AND YOUR PASSION. AND I CAN EQUATE TO  
21 PASSION. SO -- AND I THINK THAT'S A REAL ASSET.  
22 WE'RE GOING TO MISS YOU. YOU KNOW THAT.  
23 WE'VE GOT A LOT OF WORK GOING ON, AND I THINK THAT  
24 IT'S - - I THINK THAT WHAT YOU DID TO GET US TO THIS  
25 POINT IS TRULY A LEGACY THAT YOU CAN PROUD OF BECAUSE I



1 THINK EVERYBODY OUT HERE KNOWS JUST HOW MUCH EFFORT AND  
2 HOW MUCH PASSION YOU PUT INTO THIS BECAUSE IF YOU CAN'T  
3 BE PASSIONATE ABOUT WHAT YOU DO, THEN YOU PROBABLY  
4 SHOULDN'T DO IT. SO I WISH YOU NOTHING BUT LUCK. I'M  
5 GOING TO MISS YOU. THEY'RE GOING TO HAVE A HARD TIME  
6 FILLING YOUR SHOES, BUT SOMEBODY WILL BRING A  
7 PROSPECTIVE, I'M SURE, THAT'S GOING TO BE EQUALLY AS  
8 DEDICATED AS YOU. SO GOOD LUCK TO YOU.

9 CHAIRMAN PENNINGTON: OKAY. THANK YOU.  
10 AND WE'LL MOVE ON TO ITEM NO. 1.

11 BOARD MEMBER CHESBRO: WHILE YOU ARE MOVING  
12 ON, MR. CHAIRMAN, I DO REALIZE THAT I DID HAVE TWO  
13 OTHER EX PARTES TO REPORT. ONE WAS REGARDING ITEM 18  
14 FROM CARL ATKINSON AND ONE WAS REGARDING ITEM 22 FROM  
15 ANDREW MATSON.

16 CHAIRMAN PENNINGTON: OKAY. ITEM NO. 1 IS  
17 REPORTS OF THE BOARD'S COMMITTEES. WE'LL START WITH  
18 LEGISLATION AND PUBLIC EDUCATION. MS. GOTCH.

19 BOARD MEMBER GOTCH: THANK YOU, MR. CHAIR.  
20 THE LEGISLATION AND PUBLIC EDUCATION COMMITTEE MET ON  
21 JANUARY 13TH TO CONSIDER TWO STATE MEASURES, AB 228  
22 MIGDEN AND AB 964 BOWEN. BOTH OF THESE BILLS WERE  
23 SIGNIFICANTLY AMENDED IN THE ASSEMBLY NATURAL RESOURCES  
24 COMMITTEE THE DAY BEFORE THE LPEC COMMITTEE. MY  
25 OFFICE, ALONG WITH BOARD STAFF, ATTENDED THE



1 LEGISLATIVE HEARING TO LISTEN TO THE DEBATE ON THESE  
2 MATTERS.  
3 AB 228 MIGDEN IS THE ONLY BILL BEFORE THE  
4 BOARD TODAY AND IS ON THE CONSENT CALENDAR. THIS BILL  
5 RELATES TO WASTE TIRE CLEANUPS AND PROVIDES ADDITIONAL  
6 ENFORCEMENT TOOLS TO THE BOARD DURING THIS PROCESS.  
7 AB 964 BOWEN WAS NOT FORWARDED TO THE  
8 BOARD, HELD IN COMMITTEE TO ALLOW THE AUTHOR MORE TIME  
9 TO EXPLORE VARIOUS MARKET DEVELOPMENT ISSUES RELATED TO  
10 THE MEASURE.  
11 BOTH OF THESE BILLS WERE TAKEN UP IN THE  
12 ASSEMBLY APPROPRIATIONS COMMITTEE ON MONDAY, JANUARY  
13 26. AB 228 MIGDEN PASSED OUT OF THE COMMITTEE AND IS  
14 HEADED TOWARDS THE ASSEMBLY FLOOR, AND AB 964 WAS  
15 PLACED ON THE APPROPRIATION COMMITTEE'S SUSPENSE FILE.  
16 REGARDING PUBLIC EDUCATION, THE LPEC  
17 COMMITTEE HEARD A PRESENTATION FROM SHARON DOWELL AND  
18 NICOLE JORGENSEN OF THE SANTA CLARA COUNTY  
19 ENVIRONMENTAL HEALTH DEPARTMENT. THE COUNTY IS  
20 IMPLEMENTING A COUNTYWIDE USED OIL EDUCATION CAMPAIGN.  
21 THEY DESCRIBED THE DIFFERENT ASPECTS OF THEIR USED OIL  
22 PROGRAM, INCLUDING SCHOOL EDUCATION AND TARGETED  
23 OUTREACH EFFORTS THROUGH THE DO-IT-YOURSELF OIL  
24 CHANGERS IN THE COUNTY.  
25 THE SMART SHOP CAMPAIGN HAS ENCOURAGED



1 PEOPLE IN THE BAY AREA TO "KEEP THE ENVIRONMENT IN MIND  
2 WHEN SHOPPING" GOT ROLLING THIS MONTH. IF YOU  
3 REMEMBER, THE BOARD PROVIDED A TOTAL OF \$25,000 TO  
4 ASSIST THIS EFFORT, 10,000 FROM THE IWMA AND 15,000  
5 FROM USED OIL.  
6 THIS COMIC WRAP APPEARED IN THE SUNDAY,  
7 JANUARY 18TH EDITION OF THE "CHRONICLE" AND "EXAMINER,"  
8 AND THERE ARE ALSO RADIO AND T.V. ADS RUNNING IN THE  
9 BAY AREA COMMUNITIES THROUGH MID-FEBRUARY ENCOURAGING  
10 FOLKS TO SAVE MONEY AND THE ENVIRONMENT TOO. AND I'LL  
11 PASS THESE ON FOR THE BOARD MEMBERS TO TAKE A LOOK AT.  
12 PUBLIC AFFAIRS, THE COMMITTEE ALSO HEARD  
13 A PRESENTATION FROM THE PUBLIC AFFAIRS OFFICE WHICH  
14 HIGHLIGHTED THE SUCCESS OF THE OUTREACH EFFORTS OVER  
15 THE HOLIDAY SEASON. THE CAMPAIGN ENCOMPASSED  
16 TELEVISION AND RADIO INTERVIEWS WITH STAFF AS WELL AS  
17 NUMEROUS ARTICLES IN NEWSPAPERS STATEWIDE. IN THE  
18 SPIRIT OF OUR HOLIDAY WASTE REDUCTION CAMPAIGN, MR.  
19 FRITH RECEIVED PERMISSION FOR THE BOARD TO USE THE  
20 "BORN LOSER" CARTOON. THE STRIP ILLUSTRATES IN A  
21 HUMOROUS MANNER THE HUGE AMOUNT OF EXTRA WASTE THAT IS  
22 GENERATED DURING THE HOLIDAY SEASON. BECAUSE THE BOARD  
23 WILL BE USING THE STRIP TO EDUCATE PEOPLE ABOUT WASTE  
24 REDUCTION, THE SYNDICATE HAS AGREED TO ALLOW ITS USE  
25 FOR ONLY \$35. I WOULD LIKE TO COMMEND STAFF FOR THEIR





1 OUTSTANDING EFFORTS IN THIS REGARD.

2 AND FINALLY, EARLIER THIS MONTH I FLEW

3 DOWN TO SAN DIEGO TO PRESENT SEA WORLD WITH THEIR

4 WRAP-OF-THE-YEAR AWARD.

5 AND FINALLY, IF I MAY, JUST TO TOUCH BASE

6 ON COMMENTS MR. PENNINGTON MADE OR CHAIRMAN PENNINGTON

7 MADE REGARDING DANNY EATON BEING APPOINTED TO THIS

8 POST, LET ME ADD THAT I HAD A CONVERSATION WITH THE

9 SPEAKER, AND THAT I WILL CONTINUE TO PERFORM THESE

10 DUTIES UNTIL DAN EATON IS OFFICIALLY SWORN IN. SO FOR

11 THE NEAR FUTURE, IT'S MY ANTICIPATION THAT THINGS WILL

12 RUN BUSINESS AS USUAL.

13 CHAIRMAN PENNINGTON: VERY GOOD. THANK YOU,

14 MRS. GOTCH. LOCAL ASSISTANCE AND PLANNING CHAIRED BY

15 MR. CHESBRO.

16 BOARD MEMBER CHESBRO: YES, MR. CHAIRMAN. THE

17 LOCAL ASSISTANCE AND PLANNING COMMITTEE RECEIVED

18 UPDATES FROM BOTH THE DIVISIONS THAT HANDLE ACTIVITIES

19 THAT THE COMMITTEE OVERSEES. THE COMMITTEE CONSIDERED

20 SEVEN PLANNING DOCUMENTS WHICH REPRESENTED FOUR

21 JURISDICTIONS. ALL OF THOSE PLANS ARE ON THE CONSENT

22 CALENDAR, AND THE COMMITTEE ALSO CONSIDERED ENFORCEMENT

23 OPTIONS FOR THE SITING AND SUMMARY PLANS AND THE 1996

24 RPPC RECYCLING RATE. AND BOTH OF THOSE ITEMS WILL BE

25 CONSIDERED LATER ON ON TODAY'S AGENDA. THAT CONCLUDES



1 MY REPORT.

2 CHAIRMAN PENNINGTON: THANK YOU, MR. CHESBRO.

3 PERMITTING AND ENFORCEMENT CHAIRED BY MR. FRAZEE.

4 BOARD MEMBER FRAZEE: THANK YOU, MR. CHAIRMAN.

5 THE PERMITTING AND ENFORCEMENT COMMITTEE MET ON JANUARY

6 15TH, HEARD SEVEN ITEMS. FIVE OF THOSE ARE ON TODAY'S

7 CONSENT AGENDA. ACTUALLY SIX, BUT I WOULD LIKE TO PULL

8 ONE.

9 THOSE INCLUDE THE CONSIDERATION OF A

10 STANDARDIZED SOLID WASTE FACILITY PERMIT FOR SUN-LAND

11 GARDEN PRODUCTS COMPOSTING FACILITY IN MONTEREY COUNTY,

12 THE CONSIDERATION OF A REVISED SOLID WASTE FACILITY

13 PERMIT FOR THE BORON SANITARY LANDFILL IN KERN COUNTY,

14 A REVISED SOLID WASTE FACILITY PERMIT FOR THE ACME

15 LANDFILL IN CONTRA COSTA COUNTY, AND A REVISED SOLID

16 WASTE FACILITY PERMIT FOR THE AUSTIN ROAD LANDFILL.

17 AND THEN THE FIFTH ITEM WAS THE

18 CONSIDERATION OF ADOPTION OF FINANCIAL ASSURANCE

19 REGULATIONS FOR SOLID WASTE LANDFILLS. THAT DEALS WITH

20 THE LOCAL GOVERNMENT FINANCIAL TEST AND LOCAL

21 GOVERNMENT GUARANTEE.

22 THEN THE SIXTH ITEM, WHICH IS ITEM 17,

23 THAT WAS ON THE CONSENT CALENDAR, WAS CONSIDERATION OF

24 NEW SITES FOR THE 2136 PROGRAM, AND I'D LIKE TO PULL

25 THAT FROM THE CONSENT AND HAVE IT HEARD AT ITS REGULAR



1 TIME ON THE AGENDA.

2 AND THEN THE FINAL ITEM WAS THE

3 CONSIDERATION OF DRAFT EMERGENCY REGULATIONS TO REMOVE

4 PERMIT EXCLUSIONS FOR WASTE TIRE STORAGE FACILITIES,

5 AND THAT'S ON TODAY'S REGULAR CALENDAR. THAT COMPLETES

6 MY REPORT.

7 CHAIRMAN PENNINGTON: THANK YOU, MR. FRAZEE.

8 AND WITHOUT OBJECTION, WE'LL PULL ITEM 17.

9 NEXT IS POLICY, RESEARCH AND TECHNICAL

10 ASSISTANCE COMMITTEE. MR. JONES.

11 BOARD MEMBER JONES: THANK YOU, MR. CHAIRMAN.

12 THIS MONTH NO ITEMS CAME FORWARD TO THE POLICY

13 COMMITTEE, SO WE DIDN'T HAVE A POLICY COMMITTEE

14 MEETING. BUT WE DO -- I WOULD LIKE TO TAKE THIS

15 OPPORTUNITY, I THINK IN THE SPIRIT OF TRYING TO

16 DISSEMINATE SOME INFORMATION THAT MAY BE HELPFUL TODAY,

17 WE HAVE A LITTLE KNOWN AGENDA ITEM, ITEM 22, WHICH HAS

18 HAD, I DON'T KNOW, 70 OR 80 RESPONSES IN THE LAST

19 COUPLE OF WEEKS.

20 THIS WAS A RESOLUTION THAT CAME OUT OF

21 THE POLICY COMMITTEE AND WENT TO THE BOARD AND HAS

22 SPENT A LOT OF TIME BEING WORKED ON AND LOOKED AT. AND

23 THE ORIGINAL INTENT OF THIS POLICY WAS TO ENDORSE THE

24 USE OF TDF WHEN A LOCAL JURISDICTION, WHEN IT GOES

25 THROUGH TESTING, PASSES ALL THE LOCAL TESTING CRITERIA,



1 AND IT HAS BLOWN UP INTO A MUCH DIFFERENT ISSUE THAT  
2 ALL OF THE SUDDEN THE \$14 MILLION THAT WE'RE SPENDING  
3 ON MARKET DEVELOPMENT, IN RAC, AND CIVIL ENGINEERING,  
4 AND THOSE TYPES OF PROGRAMS, I'VE GOTTEN AN AWFUL LOT  
5 OF LETTERS THAT SAID WE DON'T SPEND ANY MONEY ON THOSE  
6 WHEN, IN FACT, WE'VE SPENT \$14 MILLION ON THOSE, SO I  
7 THINK THERE'S A LOT OF MISINFORMATION.  
8 LISTENING TO ALL OF THOSE THINGS, AND I  
9 UNDERSTAND IT'S GOING TO COME UP ON ITEM 22, BUT I  
10 WANTED TO PREFACE WHY THIS IS GOING OUT. LISTENING TO  
11 THE CONCERNS, LISTENING TO ALL THE ITEMS, THERE WAS A  
12 THOUGHT THAT WE WERE GOING TO CHANGE THE HIERARCHY ON  
13 HOW WE WERE GOING TO DEAL WITH TIRES. THAT, IN FACT,  
14 WAS NOT THE CASE.  
15 THE ORIGINAL RESOLUTION, JUST SO NOBODY  
16 GETS NERVOUS, WAS TITLED "CONSIDERATION OF BOARD POLICY  
17 TO USE WASTE TIRES AS A FUEL SUPPLEMENT AT COAL-FIRED  
18 COGEN PLANTS AND CEMENT KILNS." THE ORIGINAL  
19 RESOLUTION, NUMBER WAS 97-425 BECAUSE IT WAS HEARD IN  
20 1997. WE ARE -- I AM GOING TO PROPOSE IN A DRAFT FORM  
21 A RESOLUTION THAT WILL NOT -- IS NOTHING LIKE THE  
22 ORIGINAL ONE AND IS NOT -- DOESN'T HAVE THE SAME  
23 TITLE. BUT SO THAT THERE IS NO CONFUSION, I LEFT THE  
24 ORIGINAL TITLE ON THE TOP OF THE PAGE, PUT X'S THROUGH  
25 IT, WHICH MEANT THAT'S NOT THE TITLE ANYMORE, AND HAVE



1 CIRCLED WHAT I'M HOPING THIS BOARD WILL ADOPT AS A  
2 TITLE FOR A RESOLUTION WHICH IS TITLED "ADOPTION OF A  
3 POLICY TO SUPPORT THE DEVELOPMENT OF MARKETS FOR WASTE  
4 TIRES."  
5 I WOULD LIKE TO NOT ONLY HAND ONE OF  
6 THESE TO EACH OF THE BOARD MEMBERS SO YOU HAVE IT  
7 DURING THE COURSE OF THE DAY BEFORE WE HEAR THIS, BUT I  
8 HAD JEANNINE MAKE A BUNCH OF THEM SO THAT YOU COULD PUT  
9 THEM IN THE BACK OF THE ROOM. AND THAT'S THE END OF MY  
10 REPORT, AND I'M HOPING THAT THAT -- IF YOU COULD,  
11 PATTI, PUT THOSE IN THE BACK OF THE ROOM FOR THE  
12 INTERESTED PARTIES. AND THEN WE WILL -- THEY'LL HAVE  
13 IT WHEN THAT ITEM COMES FORWARD. THAT'S THE END OF MY  
14 REPORT, MR. CHAIRMAN.

15 CHAIRMAN PENNINGTON: THANK YOU, MR. JONES.  
16 NEXT IS THE MARKET DEVELOPMENT COMMITTEE, MR. RELIS  
17 CHAIR.

18 BOARD MEMBER RELIS: MR. CHAIR, WE HEARD FOUR  
19 ITEMS TOO WHICH ARE ON THE BOARD'S CONSENT CALENDAR:  
20 CONSIDERATION OF INCENTIVES TO INCREASE PARTICIPATION  
21 IN THE RECYCLING MARKET DEVELOPMENT ZONE PROGRAM. THIS  
22 ITEM IS OF CONSIDERABLE IMPORTANCE TO THE ZONE PROGRAM  
23 BECAUSE IT FINALLY PUTS IN PLACE THE DIRECTION -- IN  
24 PLACE DIRECTION TO DEVELOP PERFORMANCE BASED INCENTIVES  
25 TO HELP ZONE ADMINISTRATORS IN THEIR WORK OF PROMOTING



1 LOAN AND OTHER ACTIVITY IN THE ZONES.  
2 COMMITTEE APPROVED STAFF'S RECOMMENDATION  
3 IN CONCEPT SUBJECT TO BUDGETARY AND LEGAL REVIEW. THE  
4 RECOMMENDATIONS PERTAINING TO FUNDING ASSISTANCE FOR  
5 ZONE ADMINISTRATOR ACTIVITIES, TRADE SHOW PARTICIPA-  
6 TION, FUNDING OF THE ANNUAL ZONE ADMINISTRATOR  
7 CONFERENCE, AND REDUCTION IN THE LOAN FEE, ALL OF WHICH  
8 SHOULD BE VERY HELPFUL TO THE PROMOTION OF THIS  
9 PROGRAM.  
10 THE SECOND ITEM ON CONSENT DEALS WITH  
11 CLARIFYING THE ORIGINAL ZONE DESIGNATION FOR THE  
12 CENTRAL COASTAL ZONE, INCLUDES FROM SAN LUIS OBISPO TO  
13 MONTEREY. IT'S A LONG-STANDING ISSUE. I'M GLAD IT'S  
14 RESOLVED.  
15 THE THIRD ITEM IS THE COMMITTEE REVIEWED  
16 AN UPDATE ON ACTIVITIES IN THE RECYCLING BUSINESS  
17 DEVELOPMENT SECTION AND A REPORT ON THE BOARD'S PAPER  
18 DIVERSION UTILIZATION FORUM. WHAT THAT REALLY MEANS, A  
19 LOT OF WORDS, BUT HOW ARE WE DOING ON THE PROGRESS OF  
20 UTILIZING RECOVERED PAPER IN THE STATE OF CALIFORNIA.  
21 WE AS A BOARD SET A VOLUNTARY GOAL OF 50-PERCENT  
22 UTILIZATION, AND WE'RE GOING TO BE MEASURING OUR  
23 PROGRESS OR LACK THEREOF IN RELATION TO THAT 50  
24 PERCENT.  
25 STAFF WILL BE RETURNING TO THE COMMITTEE



1 IN FEBRUARY WITH OPTIONS REGARDING PAPER DIVERSION AND  
2 UTILIZATION. AND THAT COMPLETES MY REPORT.

3 CHAIRMAN PENNINGTON: THANK YOU, MR. RELIS.  
4 AND THE ADMINISTRATION COMMITTEE, WHICH I CHAIR. THE  
5 ADMINISTRATION COMMITTEE MET ON JANUARY 6TH AND HEARD  
6 ONE ITEM. THAT ITEM WAS THE DISCUSSION OF A FUTURE  
7 BOARD WORKSHOP ON THE POINT OF COLLECTION OF THE IWM  
8 FEE.

9 WE RECEIVED SOME VALUABLE INPUT ON WHAT  
10 THE WORKSHOP SHOULD INCLUDE FROM QUITE A VARIETY OF  
11 SOURCES. THE COMMITTEE REQUESTED THAT THE STAFF SET UP  
12 A WORKSHOP BASED ON THE INPUT RECEIVED THAT DAY. I  
13 BELIEVE THAT THE EXECUTIVE DIRECTOR WILL GIVE US AN  
14 UPDATE ON THE STATUS OF THAT TODAY AS WELL.  
15 THAT CONCLUDES THE BOARD COMMITTEE  
16 REPORTS. WE'LL MOVE TO ITEM NO. 2, WHICH IS THE REPORT  
17 OF THE EXECUTIVE DIRECTOR.

18 MR. CHANDLER: THANK YOU, MR. CHAIRMAN, AND  
19 GOOD MORNING, MEMBERS. BECAUSE OF THE LENGTH OF THIS  
20 MEETING, I'LL KEEP MY REPORT VERY SHORT.  
21 FIRST OF ALL, YOU ALL ARE AWARE THAT MY  
22 OFFICE HAS BEEN WORKING WITH CAL-EPA, THE DEVELOPER OF  
23 THE NEW CAL-EPA BUILDING, TO INCORPORATE GREEN BUILDING  
24 CONCEPTS INTO THIS NEW FACILITY, WHICH WILL HOUSE ALL  
25 OF THE STATE'S KEY ENVIRONMENTAL DEPARTMENTS AND



1 ORGANIZATIONS.  
2 WITH YOUR SUPPORT, I'VE SPENT  
3 CONSIDERABLE TIME WITH AGENCY CONTACTS, CITY OFFICIALS,  
4 AND THE BUILDING'S DEVELOPER TO SECURE A PLACE TO  
5 DEMONSTRATE THE PERFORMANCE AND ECONOMIC SUCCESS OF  
6 SUSTAINABLE DESIGN AND CONSTRUCTION IN WHAT WILL BE THE  
7 LARGEST BUILDING EVER BUILT WITHIN THE CITY OF  
8 SACRAMENTO.  
9 YOU ALSO KNOW THAT WE'VE BEEN ASKED TO  
10 PROVIDE FUNDING FOR EXPERT SERVICES TO MAKE SURE THESE  
11 CONCEPTS ARE INCLUDED IN THE FINAL DESIGN. BASED ON  
12 WHAT I'VE LEARNED IN THIS EFFORT, I BELIEVE THE BEST  
13 WAY TO ENSURE THESE CONCEPTS ARE INCLUDED IS THROUGH AN  
14 AGREEMENT BETWEEN THIS BOARD AND THE BUILDING'S  
15 DEVELOPER, THOMAS PARTNERS, WHO HAS ULTIMATE CONTROL  
16 OVER ITS FORM AND FUNCTION. AN AGREEMENT WITH ANY  
17 OTHER PARTY, INCLUDING THE DEPARTMENT OF GENERAL  
18 SERVICES, MAY NOT RESULT IN THESE SUSTAINABLE BUILDING  
19 CONCEPTS BEING INCORPORATED.  
20 I'M STILL WORKING TO BRING ALL PARTIES  
21 INVOLVED TOGETHER TO ACCOMPLISH OUR GOAL, AND I WILL  
22 KEEP YOUR OFFICES INFORMED OF OUR PROGRESS.  
23 AS YOU KNOW, I'VE ASKED THE BOARD TO HOLD  
24 A SPECIAL MEETING OF THE FULL BOARD ON FEBRUARY 11TH TO  
25 PROVIDE YOU WITH AN OPPORTUNITY TO CONSIDER A FINANCIAL





1 ARRANGEMENT BETWEEN THE DEVELOPER AND THE BOARD,  
2 ASSUMING EFFORTS CONTINUE TO MOVE FORWARD AS I HAVE  
3 JUST OUTLINED. FINALLY, IT'S MY PLAN TO CIRCULATE A  
4 DRAFT SCOPE OF WORK TO YOUR OFFICES LATER THIS WEEK.  
5 SECONDLY, AS YOU JUST MENTIONED, MR.  
6 CHAIRMAN, BOARD STAFF HAVE TENTATIVELY SELECTED TWO  
7 DATES IN MARCH FOR THE ADMINISTRATION COMMITTEE'S  
8 WORKSHOPS ON THE POINT OF COLLECTION OF THE INTEGRATED  
9 WASTE MANAGEMENT FEE. THE FIRST WORKSHOP IS  
10 TENTATIVELY SCHEDULED FOR MARCH 24TH IN SACRAMENTO, AND  
11 THE SECOND WILL BE ON MARCH 31ST IN SOUTHERN  
12 CALIFORNIA, POSSIBLY IN DIAMOND BAR, WHICH IS IN  
13 EASTERN LOS ANGELES COUNTY.  
14 STAFF WILL BE FINALIZING THE DETAILS OF  
15 THE DATES, LOCATIONS, AND AGENDA IN THE NEAR FUTURE SO  
16 THAT THE WORKSHOPS CAN BE NOTICED TO THE PUBLIC WELL IN  
17 ADVANCE OF THE MARCH DATES.  
18 IN ADDITION TO GETTING INPUT ON THE POINT  
19 OF COLLECTION OF THE BOARD'S FEE, THE WORKSHOP WILL  
20 FOCUS ON EQUITY ISSUES THAT HAVE BEEN RAISED AS A  
21 RESULT OF JURISDICTIONS RECEIVING FUNDING AND OTHER  
22 SUPPORT THROUGH THE BOARD FROM THE INTEGRATED WASTE  
23 MANAGEMENT ACCOUNT WITHOUT PAYING FEES THAT SUPPORT THE  
24 ENTIRE RANGE OF IWMA PROGRAMS.  
25 AND FINALLY, I'D LIKE TO JOIN IN SALUTING



1 PAUL RELIS FOR HIS WORK AND CONTINUED DEDICATION  
2 TOWARDS SOLVING CALIFORNIA'S SOLID WASTE CHALLENGES.  
3 PAUL, YOU'VE ALWAYS BROUGHT A SENSE OF LEADERSHIP TO  
4 WHATEVER ISSUES YOU HAVE TACKLED. YOU HAVE LEFT A  
5 STRONG LEGACY THROUGHOUT THE ORGANIZATION. THAT'S  
6 ESPECIALLY TRUE IN THE MARKET DEVELOPMENT AREA AND THE  
7 ISSUES OF COMPOSTING AND OUR MARKET DEVELOPMENT LOAN  
8 PROGRAM.  
9 FOR ME YOU HAVE SERVED AS A CATALYST  
10 WITHIN THE ORGANIZATION TO BEGIN TO VIEW OUR MISSION IN  
11 PART, A MISSION NOT ONE OF SIMPLY INVOLVING WASTE  
12 DIVERSION, BUT ONE OF MATERIALS MANAGEMENT,  
13 CONVERSATIONS WE SPENT MANY TIMES TALKING ABOUT AND  
14 THAT I'VE THOROUGHLY ENJOYED. I CAN CERTAINLY  
15 UNDERSTAND THAT SIX AND A HALF YEARS OF COMMUTING FROM  
16 YOUR HOME IN SANTA BARBARA HAVE TAKEN THEIR TOLL, AND I  
17 JOIN FELLOW BOARD MEMBERS IN WISHING YOU ALL THE BEST,  
18 BUT I WILL SAY THAT I AND THE ORGANIZATION WILL DEEPLY  
19 MISS YOU.  
20 AND SPEAKING OF THE REST OF THE  
21 ORGANIZATION, I BELIEVE CAREN TRGOVCICH AND THE MARKET  
22 DEVELOPMENT DIVISION STAFF HAVE A PRESENTATION AS  
23 WELL. THANK YOU. THAT CONCLUDES MY REPORT.  
24 CHAIRMAN PENNINGTON: THANK YOU, MR.  
25 CHANDLER.



1 MS. TRGOVCICH: WE WILL BE VERY BRIEF. I  
2 THINK AS ONE OF THE LINE DIVISIONS HERE IN THE BOARD,  
3 THE WASTE PREVENTION AND MARKET DEVELOPMENT DIVISION,  
4 WE FEEL A SPECIAL AFFINITY FOR YOU, PAUL, IN TERMS OF  
5 YOUR LEADERSHIP OF THE MARKET DEVELOPMENT COMMITTEE,  
6 YOUR LEADERSHIP HERE AS A MEMBER OF THE INTEGRATED  
7 WASTE MANAGEMENT BOARD. AND BECAUSE WE SEE YOU AS BOTH  
8 A LEADER IN THIS ORGANIZATION, AS A MEMBER MOVING OUR  
9 PROGRAMS FORWARD, OUR ORGANICS PROGRAMS, AS HAVE BEEN  
10 PREVIOUSLY MENTIONED, OUR OTHER KEY MARKET MATERIALS  
11 PROGRAMS, OUR LOAN PROGRAM, THE SALE OF WHICH COULD NOT  
12 HAVE BEEN ACCOMPLISHED WITHOUT YOUR SUPPORT, AND THE  
13 CHANGES IN THAT PROGRAM DURING THE PRIOR YEAR FROM ALL  
14 THE OUTSOURCING EFFORTS THAT WE'VE UNDERTAKEN AND THE  
15 AGGRESSIVE STANCE OF OUR PROGRAM STAFF.  
16 BECAUSE THOSE EFFORTS ARE SO IMPORTANT,  
17 AS IS YOUR FRIENDSHIP TO MANY OF US IN THE DIVISION, WE  
18 THOUGHT WE WOULD TAKE THIS OPPORTUNITY TO PUT A SMALL  
19 RESOLUTION TOGETHER FOR YOU. IF YOU COULD COME ON  
20 DOWN, WE WOULD APPRECIATE THAT.  
21 WHAT WE HAVE HERE IS A RESOLUTION -- WE  
22 WANTED TO MAKE SURE THAT YOU HAD THE SIGNATURES OF EACH  
23 AND EVERY ONE OF US SO THAT WHEN YOU GET A LETTER FROM  
24 US IN THE FUTURE PERTAINING TO YOUR BUSINESS ENDEAVORS,  
25 YOU COULD MAKE SURE WHICH ONE OF US IT WAS REALLY WAS



1 AND MAKE SURE IT'S THE REAL THING.

2 BOARD MEMBER RELIS: NO FORGERIES.

3 MS. TRGOVCICH: NO FORGERIES. I JUST WANT TO

4 TAKE A SHORT OPPORTUNITY TO READ THE RESOLUTION TO YOU.

5 IT'S VERY -- WE TAKE THIS VERY SERIOUSLY. WE TAKE YOUR

6 DEDICATION TO THE BOARD VERY SERIOUSLY.

7 WHEREAS, PAUL RELIS SERVED ON THE BOARD'S

8 MARKET DEVELOPMENT COMMITTEE FOR SEVEN YEARS, SIX OF

9 THOSE AS COMMITTEE CHAIR;

10 WHEREAS, MR. RELIS TIRELESSLY CHAMPIONED

11 THE SOURCE REDUCTION, RECYCLING, AND COMPOSTING TIERS

12 OF THE INTEGRATED WASTE MANAGEMENT HIERARCHY;

13 WHEREAS, MR. RELIS WAS, THROUGHOUT HIS

14 TENURE, A FRIENDLY, SUPPORTIVE, HARDWORKING BOARD

15 MEMBER FOR MANAGEMENT AND STAFF IN THE WASTE PREVENTION

16 AND MARKET DEVELOPMENT DIVISION; AND,

17 WHEREAS, MR. RELIS OVERSAW THE BOARD'S

18 SOMETIMES PAINFUL DEVELOPMENT OF NOT ONE BUT TWO

19 RECYCLING MARKET DEVELOPMENT PLANS.

20 AND I BELIEVE BILL HUSTON HAS A SMALL

21 GIFT IN THAT REGARD.

22 MR. HUSTON: PAUL, THE STRENGTH AND SOLIDARITY

23 OF THE MARKET DEVELOPMENT PLAN, THE FOUNDATION OF THE

24 BOARD'S INTEGRATED WASTE MANAGEMENT POLICIES, I THINK,

25 ARE WELL CHARACTERIZED BY THIS CONCRETE PIER. AND MR.



1 CHESBRO MENTIONED EARLIER A CONCRETE EXAMPLE OF SOME OF  
2 YOUR RESULTS SUITABLE FOR FRAMING OR PERHAPS AS A  
3 PAPERWEIGHT. WE HOPE THAT IT'S CONSTANTLY A REMINDER  
4 OF YOUR LEADERSHIP IN ACHIEVING THE STATE'S MARKET  
5 DEVELOPMENT SUCCESS. THANK YOU, PAUL.

6 BOARD MEMBER RELIS: DO I HAVE TO CARRY THIS  
7 BACK?

8 MS. TRGOVCICH: NEXT.

9 WHEREAS, MR. RELIS RECOGNIZED THE NEED TO  
10 STIMULATE PAPER RECYCLING MARKETS AND HAD THE FORTITUDE  
11 TO ESTABLISH UTILIZATION GOALS FOR THE STATE OF  
12 CALIFORNIA. BRIAN HAS A BRIEF PRESENTATION.

13 MR. FORAN: PAUL, THIS ART OBJECT MADE OUT OF  
14 100 PERCENT POSTCONSUMER FIBERS IS PROOF POSITIVE THAT  
15 THE PAPER RECYCLING MARKET DEVELOPMENT IS NOT A RED  
16 HERRING, BUT IT IS A SLIPPERY FISH.

17 MS. TRGOVCICH: WHEREAS, MR. RELIS LED THE  
18 EFFORT TO PROMOTE USE OF URBAN DERIVED COMPOST AND  
19 MULCH IN AGRICULTURE BY TRAVERSING -- NO, WE'RE NOT  
20 BRINGING OUT WORMS -- TRAVERSING OVER HILLS AND DALES  
21 AND THROUGH MUDDY AVOCADO GROVES AND DAMP BARNES  
22 DELIVERING THE "COMPOST MAKES SOIL SENSE" MESSAGE  
23 DIRECTLY TO FARMERS.

24 HERE'S A BRIEF --

25 UNIDENTIFIED STAFF: A BAG OF SOMETHING,



1 SOMETHING FOR THOSE SUNNY DAYS AND THE MUDDY FIELDS.

2 BOARD MEMBER RELIS: ASPERGILLUS INOCULATION.

3 MS. TRGOVCICH: YOU'LL GET THE NEXT FACT  
4 SHEET.

5 WHEREAS, MR. RELIS RUBBED SHOULDERS WITH  
6 STAFF IN THE BOARD'S COMPOST OUTREACH BOOTH AT FARM  
7 SHOWS IN ORDER TO PERSONALLY ANSWER FARMERS' QUESTIONS  
8 ABOUT URBAN COMPOST AND MULCH.

9 MR. PASSWATER: PAUL, FOR YOUR TIRELESS  
10 INVOLVEMENT IN THE AGRICULTURAL ADMINISTRATION EVENTS,  
11 MANY COMMERCIAL GROWERS AND STAFF WILL ALWAYS THINK OF  
12 YOU OUT STANDING IN THE FIELD.

13 MS. TRGOVCICH: WHEREAS, MR. RELIS ENCOURAGED  
14 RESOURCE CONSERVATION DISTRICTS THAT PROMOTED THE USE  
15 OF URBAN DERIVED COMPOST TO BE EQUIPPED, AND THAT'S  
16 CAPITAL E-Q-U-I-P WITH FEDERAL FUNDS --

17 MR. SMITH: PAUL, I HAVE FOR YOU A LOAN  
18 APPLICATION WHICH YOU WILL BE USING WHEN YOU ARE  
19 PROMOTING, ADVOCATING URBAN-DERIVED COMPOST PROJECTS.  
20 REMEMBER NOW THAT WE'RE MUCH MORE USER FRIENDLY AS A  
21 RESULT OF LAST FEBRUARY'S WORKSHOP. PLEASE KEEP IN  
22 MIND THE WARNING BYBOARD MEMBER FRAZEE ABOUT YOUR  
23 ONE-YEAR LIMITS. PLEASE DON'T BRING THIS IN BEFORE ONE  
24 YEAR.

25 MS. TRGOVCICH: AND WHEREAS, MR. RELIS



1 DEMONSTRATED EXEMPLARY PERSONAL SACRIFICE BY TASTING  
2 ORGANIC WINES AT THE PACIFIC GROVE ECOFARM CONFERENCE  
3 RECEPTION.

4 MS. BROW: PAUL, I WOULD LIKE TO PRESENT YOU  
5 WITH A SMALL BOTTLE OF CALIFORNIA FAMILY WINE WHOSE  
6 DEDICATION TO USE OF COMPOST IN VINEYARDS -- THIS IS  
7 GALLO -- WE HOPE WILL INCREASE GIVEN THAT THEY ARE  
8 ONE-THIRD OF ALL THE WORLD'S WINE MAKING. AND ALSO  
9 THIS IS A SPECIAL THING FOR ME TO YOU. ONE OF MY  
10 GRAPES IS JUST HERE, YOU KIND OF CAN SEE IT.

11 BOARD MEMBER RELIS: NO PROMOTIONS.

12 MS. BROW: THANK YOU VERY MUCH, PAUL.

13 MS. TRGOVCICH: NOW, THEREFORE, BE IT RESOLVED  
14 THAT THE WASTE PREVENTION AND MARKET DEVELOPMENT  
15 DIVISION MANAGEMENT AND STAFF ARE INDEBTED TO PAUL  
16 RELIS FOR HIS SERVICE AS ABOARD MEMBER AND THAT HIS  
17 LEGACY WILL BE MARKED BY COUNTLESS THOUSANDS OF TONS OF  
18 SECONDARY MATERIALS DIVERTED FROM CALIFORNIA LANDFILLS  
19 FOR YEARS TO COME. THANK YOU.

20 (APPLAUSE.)

21 CHAIRMAN PENNINGTON: NOW WE'LL MOVE ON TO  
22 ITEM NO. 3, CONSIDERATION OF THE CONSENT CALENDAR. THE  
23 CONSENT CALENDAR INCLUDES ITEMS 4 THROUGH 10, 13  
24 THROUGH 17, AND AGENDA ITEM 19. WE'VE PULLED -- IT'S  
25 13 THROUGH 16. WE'VE PULLED ITEM 17. SO LET ME GO



1 THROUGH THAT AGAIN. CONSENT CALENDAR INCLUDES ITEMS 4  
2 THROUGH 10 AND 13 THROUGH 16 AND AGENDA ITEM 19.  
3 ANY MEMBER WHO WISHES TO PULL ANY ITEM  
4 OFF THE CONSENT CALENDAR? IF NOT, I'LL ENTERTAIN A  
5 MOTION.

6 BOARD MEMBER CHESBRO: SO MOVED.

7 BOARD MEMBER FRAZEE: SECOND.

8 CHAIRMAN PENNINGTON: MOVED AND SECONDED.

9 WITHOUT ANY FURTHER DISCUSSION --

10 THE SECRETARY: WHO MOVED THAT,  
11 WESLEY.

12 BOARD MEMBER FRAZEE: WESLEY AND I  
13 SECONDED.

14 CHAIRMAN PENNINGTON: SECRETARY CALL THE ROLL.

15 THE SECRETARY: BOARD MEMBER CHESBRO.

16 BOARD MEMBER CHESBRO: AYE.

17 THE SECRETARY: FRAZEE.

18 BOARD MEMBER FRAZEE: AYE.

19 THE SECRETARY: GOTCH.

20 BOARD MEMBER GOTCH: AYE.

21 THE SECRETARY: JONES.

22 BOARD MEMBER JONES: AYE.

23 THE SECRETARY: RELIS.

24 BOARD MEMBER RELIS: AYE.

25 THE SECRETARY: CHAIRMAN PENNINGTON.





1 CHAIRMAN PENNINGTON: AYE. MOTION CARRIES.  
2 WE'LL MOVE TO ITEM 11, CONSIDERATION OF  
3 STAFF RECOMMENDATION REGARDING ENFORCEMENT OPTIONS FOR  
4 JURISDICTIONS THAT HAVE FAILED TO FILE ADEQUATE  
5 HOUSEHOLD HAZARDOUS WASTE ELEMENTS AND COUNTYWIDE  
6 SUMMARY PLANS AND SITING ELEMENTS, INCLUDING COMPLIANCE  
7 SCHEDULES, PUBLIC HEARING PROCEDURES, AND CRITERIA FOR  
8 PENALTIES. JUDY FRIEDMAN.

9 MS. FRIEDMAN: GOOD MORNING, CHAIRMAN  
10 PENNINGTON AND BOARD MEMBERS. THIS ITEM IS FOR THE  
11 BOARD TO CONSIDER JURISDICTIONS' COMPLIANCE WITH THE  
12 PLANNING REQUIREMENTS FOR THE HOUSEHOLD HAZARDOUS WASTE  
13 ELEMENTS, SITING ELEMENTS, AND SUMMARY PLANS.  
14 AS YOU ARE AWARE, IN MARCH OF 1996, THE  
15 BOARD ADOPTED OPTIONS THAT WERE SET FORTH AS A STEPWISE  
16 COMPLIANCE PROGRAM FOR NONSUBMITTAL OF THE SOURCE  
17 REDUCTION AND RECYCLING ELEMENTS AND THE NONDISPOSAL  
18 FACILITY ELEMENTS, THE CULMINATION OF WHICH WILL BE  
19 DISCUSSED TOMORROW DURING THE HEARINGS ON THOSE  
20 JURISDICTIONS THAT HAVE FAILED TO SUBMIT ADEQUATE  
21 SRRE'S AND/OR NDFE'S.  
22 THE BOARD POLICY ACTIONS ON THE SRRE'S  
23 AND NDFE'S HAVE BEEN THE MODEL FOR A STEPWISE APPROACH  
24 FOR COMPLIANCE WITH THE ELEMENTS UNDER CONSIDERATION  
25 TODAY. THIS ITEM INCLUDES COMPLIANCE SCHEDULES FOR



1 THOSE JURISDICTIONS THAT HAVE YET TO FILE A COMPLETE  
2 SUBMITTAL OF A HHWE, SUMMARY PLAN, OR SITING ELEMENT,  
3 PROPOSED HEARING PROCEDURES, AND PENALTY CRITERIA FOR  
4 BOARD CONSIDERATION.

5 WITH THAT, I'D LIKE TO TURN THE  
6 PRESENTATION OVER TO KAORU CRUZ WITH THE OFFICE OF  
7 LOCAL ASSISTANCE AND ELLIOT BLOCK.

8 MS. CRUZ: GOOD MORNING, CHAIRMAN PENNINGTON  
9 AND BOARD MEMBERS. BEFORE GOING ON MY PRESENTATION,  
10 I'D LIKE TO PROVIDE AN UPDATE FOR THIS ITEM. PLEASE  
11 REFER TO THE ADDENDUM TO ATTACHMENT 3.

12 SINCE THE COMMITTEE MEETING, FIVE  
13 JURISDICTIONS HAVE SUBMITTED THE REVISED COMPLIANCE  
14 SCHEDULE, AND TWO JURISDICTION THAT HAVEN'T BEEN

• 15 SUBMITTED THE COMPLIANCE SCHEDULE DID SUBMIT THE  
16 COMPLIANCE SCHEDULE.

17 THERE ARE CURRENTLY 531 JURISDICTION IN  
18 CALIFORNIA WHICH ARE REQUIRED TO SUBMIT THE HOUSEHOLD  
19 HAZARDOUS WASTE ELEMENT AND 58 COUNTIES ARE REQUIRED TO  
20 SUBMIT THE SUMMARY PLAN AND SITING ELEMENT TO THE BOARD  
21 AS A RESULT OF THE IWMA. THE FINAL HHWE, SUMMARY PLAN,  
22 AND SITING ELEMENT WERE DUE BY FEBRUARY 1996. OF THE  
23 ELEMENTS TO BE SUBMITTED BY THOSE 531 LOCAL  
24 JURISDICTIONS, THE BOARD HAS RECEIVED APPROXIMATELY 509  
25 HHWE'S, 37 SUMMARY PLAN, AND 41 SITING ELEMENT FOR



1 PROCESSING BY JANUARY 9, '98.  
2 THERE ARE 96 OVERDUE HHWE'S WHEN THE  
3 BOARD STARTED WORKING ON THE DELINQUENT HHWE SUBMITTAL  
4 IN FEBRUARY '97. LESS THAN A QUARTER OF THESE  
5 JURISDICTIONS WERE STILL DELINQUENT BY SEPTEMBER '97.  
6 ON SEPTEMBER 30TH AND OCTOBER 6, '97,  
7 LETTERS WERE SENT TO NONCOMPLYING JURISDICTION. THE  
8 LETTERS ASK THE JURISDICTION TO PROVIDE A COMPLIANCE  
9 SCHEDULE FOR THE HHWE'S, SUMMARY PLAN, AND SITING  
10 ELEMENT, AND IDENTIFY ANY NEEDS FOR TECHNICAL  
11 ASSISTANCE.  
12 SINCE THEN STAFF OF THE OFFICE OF LOCAL  
13 ASSISTANCE HAVE ATTEMPTED TO CONTACT AND WORK WITH EACH  
14 NONCOMPLYING JURISDICTION AND TRY TO DEVELOP A  
15 REASONABLE COMPLIANCE SCHEDULE FOR THE SUBMITTAL OF THE  
16 INDIVIDUAL ELEMENT. ATTACHMENT NO. 3 IS A LIST OF  
17 JURISDICTION THAT HAVE EITHER NOT SUBMITTED THEIR FINAL  
18 DRAFT OR HAVE FILED AN INCOMPLETE SUBMITTAL.  
19 ADDITIONALLY, ATTACHMENT NO. 6 IS  
20 COMPILATION OF THE COMPLIANCE SCHEDULE SUBMITTED BY THE  
21 JURISDICTION.  
22 LOCAL ASSISTANCE AND PLANNING COMMITTEE  
23 ADOPTED THE STAFF RECOMMENDATION ON JANUARY 14TH WITH  
24 MODIFICATION TO ALLOW ADDITIONAL 30 DAYS FOR  
25 JURISDICTIONS TO SUBMIT THEIR COMPLIANCE SCHEDULE AND



1 FORWARD IT TO THE BOARD FOR CONSIDERATION.  
2 FOLLOWING IS THE STAFF RECOMMENDATION FOR  
3 THE BOARD ON COMPLIANCE SCHEDULE IN THIS ITEM. FOR  
4 THOSE JURISDICTIONS THAT HAVE NOT SUBMITTED COMPLETE  
5 ELEMENT, BUT DID SUBMIT THE COMPLIANCE SCHEDULE, STAFF  
6 IS RECOMMENDING THAT THE BOARD ACCEPT THE COMPLIANCE  
7 SCHEDULES AS SUBMITTED. STAFF WILL WORK WITH THE  
8 JURISDICTION TO MEET ITS COMPLIANCE SCHEDULE AND  
9 RECEIVE MONTHLY UPDATES ON THE STATUS OF COMPLIANCE  
10 SCHEDULE.  
11 IF THE JURISDICTION FAILS TO MEET THE  
12 APPROVED TIME LINE AND/OR MONTHLY UPDATE, BOARD STAFF  
13 WILL SEND A NOTICE TO THE DELINQUENT JURISDICTION  
14 INFORMING THEM THAT THEY HAVE BEEN SCHEDULED FOR A  
15 PUBLIC HEARING FOR THE NEXT AVAILABLE BOARD MEETING, AT  
16 WHICH TIME THE BOARD MAY CONSIDER CIVIL PENALTY.  
17 FOR THE JURISDICTION THAT SUBMITTED THE  
18 COMPLIANCE SCHEDULE; HOWEVER, THE ELEMENT ARE OVERDUE  
19 AT THIS TIME, STAFF RECOMMENDS THE BOARD CHAIRMAN TO  
20 SEND A LETTER TO THE CHAIR OF THE BOARD OF SUPERVISORS  
21 REQUESTING SUBMITTAL OF A REVISED COMPLIANCE SCHEDULE  
22 BY MARCH 13, 1998. BOARD STAFF WILL BRING THE AGENDA  
23 ITEM ON THOSE COMPLIANCE SCHEDULE TO THE APRIL  
24 COMMITTEE AND BOARD MEETING FOR BOARD CONSIDERATION.  
25 IF NO REVISED COMPLIANCE SCHEDULE IS



1 SUBMITTED BY THE DUE DATE, BOARD STAFF WILL SEND A  
2 NOTICE TO THE JURISDICTION INFORMING THEM THAT THEY  
3 WILL BE PLACED ON THE BOARD AGENDA FOR THE PUBLIC  
4 HEARING ON CONSIDERATION OF CIVIL PENALTIES.  
5 FOR THOSE JURISDICTIONS THAT HAVE NOT  
6 SUBMITTED A COMPLIANCE SCHEDULE AT ALL, STAFF RECOMMEND  
7 THE BOARD CHAIRMAN AGAIN SEND A LETTER TO THE BOARD  
8 CHAIR OF THE BOARD OF SUPERVISORS REQUESTING SUBMITTAL  
9 OF A COMPLETE COMPLIANCE SCHEDULE TO THE BOARD BY MARCH  
10 13, 1998. BOARD STAFF WILL BRING AGENDA ITEM ON THESE  
11 COMPLIANCE SCHEDULES TO APRIL COMMITTEE AND BOARD  
12 MEETING FOR BOARD CONSIDERATION.  
13 AGAIN, IF NO COMPLIANCE SCHEDULE WAS  
14 SUBMITTED BY THE DUE DATE, BOARD STAFF WILL SEND A  
15 NOTICE TO THE JURISDICTION INFORMING THEM THAT THEY  
16 WILL BE PLACED ON THE PUBLIC HEARING.  
17 FOR THOSE JURISDICTIONS THAT HAVE  
18 SUBMITTED THE COMPLETE DOCUMENT AFTER THE LETTER WENT  
19 OUT, STAFF WILL CONTINUE TO WORK WITH THE JURISDICTION  
20 AND REVIEW THE DOCUMENT. STAFF WILL BRING THE AGENDA  
21 ITEM FOR THE ELEMENTS BEFORE THE BOARD FOR ACTION.  
22 IF THE JURISDICTION FOR ANY REASON  
23 WITHDRAWS THE DOCUMENT OR DOCUMENT IS INCOMPLETE, STAFF  
24 WILL WORK WITH THE JURISDICTION TO CREATE A REVISED  
25 COMPLIANCE SCHEDULE AND BRING IT BEFORE THE BOARD FOR



1 APPROVAL.

2 THIS CONCLUDES THE STAFF RECOMMENDATION

3 ON THE COMPLIANCE SCHEDULE.

4 NOW BOARD COUNSEL, ELLIOT BLOCK, WILL GO

5 OVER THE HEARING PROCEDURE AND PENALTY CRITERIA.

6 MR. BLOCK: AND I WILL KEEP THIS VERY BRIEF.

7 THE AGENDA ITEM BEFORE YOU ALSO HAS FOR YOUR

8 CONSIDERATION A HEARING PROCEDURE FOR THESE HEARINGS

9 AND ALSO PENALTY CRITERIA. THEY ESSENTIALLY ARE THE

10 SAME STRUCTURE, HEARING STRUCTURE, PROCEDURE, AND

11 CRITERIA THAT YOU PREVIOUSLY ADOPTED FOR THE SOURCE

12 REDUCTION AND RECYCLING ELEMENTS AND NONDISPOSAL

13 FACILITY ELEMENTS LAST APRIL, AND WE HAVE JUST MODIFIED

14 THEM TO REFLECT WE'RE TALKING ABOUT DIFFERENT ELEMENTS,

15 BUT THEY'RE ESSENTIALLY THE SAME.

16 IF YOU HAVE ANY QUESTIONS, I CAN

17 CERTAINLY ANSWER THOSE, BUT I WASN'T PLANNING ON GOING

18 INTO ADDITIONAL DETAIL ABOUT THOSE PROCEDURES.

19 CHAIRMAN PENNINGTON: QUESTIONS OF STAFF?

20 BOARD MEMBER FRAZEE: I THINK THAT MR. BLOCK

21 ANSWERED MY QUESTION, AND I THINK IT'S IMPORTANT THAT

22 THERE BE CONTINUITY OF THESE PROCEDURES AND THAT WE NOT

23 VARY FROM ONE SET OF ELEMENTS TO ANOTHER SET OF

24 ELEMENTS, SO I THINK WE'RE ON THE RIGHT TRACK WITH THIS

25 ONE.



1 CHAIRMAN PENNINGTON: OKAY. ANY -- WE DO HAVE  
2 ONE PERSON WHO WISHES TO SPEAK ON THIS. MR. EVAN  
3 EDGAR.  
4 MR. EDGAR: THERE'S TWO SPEAKERS. JOEL CORONA  
5 WILL BE FOLLOWING ME.  
6 MY NAME IS EVAN EDGAR REPRESENTING THE  
7 CALIFORNIA REFUSE REMOVAL COUNCIL. I'VE BEEN IN FRONT  
8 OF THIS BOARD FOR ABOUT FIVE YEARS NOW WITH BOARD  
9 MEMBER RELIS AND BOARD MEMBER GOTCH TALKING ABOUT THE  
10 CALIFORNIA REFUSE REMOVAL COUNCIL, ABOUT WHO WE ARE AND  
11 HOW FULLY WE'RE VESTED AND INTEGRATED WITH AB 939.  
12 I REPRESENT OVER A HUNDRED DIFFERENT  
13 HAULING COMPANIES STATEWIDE. WE'RE INTO CURBSIDE  
14 COLLECTION WITH AB 939 PROGRAMS, OVER 50 MRF'S WHICH  
15 HAVE OUR MRF'S ON LINE IN ORDER TO ACHIEVE THE  
16 25-PERCENT MANDATE AND THE 50-PERCENT MANDATE, AND OVER  
17 20 PERMITTED COMPOST FACILITIES STATEWIDE. SO WE'RE  
18 FULLY INTEGRATED AND FULLY VESTED IN AB 939, AND TODAY  
19 IS ABOUT AB 939.  
20 I THINK MR. RELIS GOT A GREAT SEND-OFF, A  
21 LOT OF DEDICATION ABOUT WHAT HE HAS DONE HERE AT THE  
22 WASTE BOARD, BUT OUT IN THE FIELD, IT'S BEEN OUR  
23 INDUSTRY, THE PRIVATE INDEPENDENTS OUT THERE, THAT HAVE  
24 BEEN FULLY VESTED AND FULLY DEDICATED TO AB 939. THIS  
25 IS THE SAME SPEECH I'VE HAD FOR THE LAST THREE OR FOUR



1 YEARS, BUT BEAR WITH ME BECAUSE IT'S PARAMOUNT TODAY  
2 THAT YOU UNDERSTAND HOW IMPORTANT THE ENFORCEMENT  
3 HEARINGS ARE.

4 BOARD MEMBER CHESBRO: DON'T WORRY, PAUL, THIS  
5 IS THE LAST TIME.

6 MR. EDGAR: WE'RE AT THE STAGE OF ENFORCING ON  
7 AB 939 PLANNING DOCUMENTS FOR HHWE, THE SITING  
8 ELEMENTS, AND THE SUMMARY PLANS, BUT TOMORROW ARE THE  
9 SAME HEARINGS ON THE SRRE'S AND THE NDFE'S, AND SO MY  
10 COMMENTS TODAY WILL BE APPLICABLE FOR TOMORROW'S  
11 HEARINGS ON THE SRRE'S AND NDFE'S.

12 DURING THE 50-PERCENT INITIATIVE BACK IN  
13 1996, IT WAS RATHER EVIDENT THAT TO GET TO 50 PERCENT,  
14 ONE THING WE MUST DO IS ENFORCE THE 25-PERCENT MANDATE  
15 AND ENFORCE THE AB 939 PLANS, THEIR SUBMITTALS. AND I  
16 THINK THERE WAS EVEN SOME SECOND FOLLOW-UP TO THE  
17 MOTION DURING THE 50-PERCENT INITIATIVE AND ADOPTION OF  
18 THE STRATEGIC PLAN WAS TO ENFORCE THE MANDATE.  
19 ENFORCEMENT IS KEY.

20 AND I THINK WHAT WE'RE FEELING IN THE  
21 FIELD AS WE HAVE BUILT THE INFRASTRUCTURE, AND MAYBE  
22 WE'RE AT 25 OR 30, BUT WE'RE UP ROLLING OUT THE NEXT  
23 SET OF PROGRAMS TO GET TO 50. AND A LOT OF CITY  
24 GOVERNMENTS AND COUNTY JURISDICTIONS ARE OUT THERE  
25 SAYING AB 939 WILL NEVER BE ENFORCED. WHY ROLL OUT THE





1 NEXT SET OF PROGRAMS? WE WANT TO ROLL THEM OUT. WE  
2 HAVE THE PROGRAMS. WE HAVE THE INFRASTRUCTURE, BUT  
3 WE'RE HITTING A BRICK WALL. WE'RE LOSING MOMENTUM.  
4 I THINK TOMORROW'S HEARING WILL INITIATE  
5 THE UNDERSTANDING THAT AB 939 IS FOR REAL. WE HAVE THE  
6 INFRASTRUCTURE. TO GET TO 50 PERCENT, WE'VE GOT TO  
7 RECOGNIZE 25 IN THE PLANNING ELEMENT.  
8 SEEING THAT 1998 IS THE YEAR OF THE  
9 TIGER, IT SHOULD BE THE YEAR OF THE ENFORCEMENT, NOT A  
10 PAPER TIGER BECAUSE YOU ARE TAKING ON THE PAPER  
11 INDUSTRY WITH REGARDS TO ENFORCEMENT PROCEDURES, NOT  
12 THE PLASTIC TIGER BECAUSE TODAY YOU ARE HAVING  
13 ENFORCEMENT PROCEEDINGS ABOUT THE RIGID RATE PLASTIC  
14 CONTAINER RATE, AND NOT THE AB 939 TIGER. YOU NEED TO  
15 ENFORCE AB 939, AND ENFORCEMENT NEEDS TO BE LOUD AND  
16 CLEAR.  
17 BECAUSE WHEN WE GO TO CITY COUNCIL  
18 MEETINGS OR COUNTY BOARD OF SUPERVISOR MEETINGS, EVEN  
19 SOME WASTE BOARD STAFF, WHEN THEY ATTEND THESE  
20 MEETINGS, SAY DON'T WORRY. BE HAPPY. AB 939 WILL  
21 NEVER BE ENFORCED. WE DON'T LIKE HEARING THAT BECAUSE  
22 WE BELIEVE IN THE PROMISE OF AB 939. IT IS A PROMISE  
23 BECAUSE IT'S IN STATUTE. IT'S NOT A POLICY, NOT A  
24 REGULATION. IT'S IN STATUTE AND WE BELIEVE IN IT.  
25 50 WE HAVE THE NEXT SET OF PROGRAMS WE



1 WANT TO ROLL OUT, AND THAT'S WHY I'M HERE TODAY IS  
2 ABOUT TOMORROW'S PENALTY CRITERIA. WE BELIEVE THAT IF  
3 A PERSON DOES NOT SUBMIT A PLAN UNDER A PLAN SUBMITTAL,  
4 IS THAT REALLY A MINOR VIOLATION? THESE PEOPLE HAVE  
5 HAD SIX OR SEVEN YEARS TO SUBMIT A PLAN. THEY'VE GONE  
6 THROUGH THE STEPWISE, GOOD FAITH, 12-STEP PROGRAM IN  
7 ORDER TO GET TO THIS POINT, AND WE'VE BEEN -- SPENT  
8 MANY, MANY MONTHS AT LOCAL TASK FORCE AS PART OF OUR  
9 STATEWIDE REPRESENTATION IN THE COMMUNITIES, HAVE PUT A  
10 LOT OF EFFORT INTO THESE PLANS. WASTE BOARD STAFF HAS  
11 BEEN IN THE FIELD ASSISTING THESE JURISDICTIONS. AND  
12 WE'RE ONLY TALKING FOUR OUT OF, WHAT, FOUR OUT OF 500  
13 OR VERY FEW JURISDICTIONS HAVEN'T GOT TO THIS LEVEL  
14 YET.  
15 AND BASICALLY WE REALLY WANT TO SAY THAT  
16 WE ARE COMMITTED AND WE ARE DEDICATED TO AB 939, AND  
17 THESE COMMUNITIES THAT HAVE SNUBBED YOU OR ACTING  
18 DEFIANT, IS THAT REALLY A MINOR VIOLATION? I DON'T  
19 THINK SO.  
20 I BELIEVE, HOWEVER, THAT THE PENALTY  
21 AMOUNT SHOULD BE FAIR AND EQUITABLE. IT SHOULD BE AN  
22 AMOUNT IN ORDER TO COMPLETE THE PLANS TO GET THEM TO A  
23 PLAN SUBMITTAL AND THAT MAYBE WHATEVER THE PENALTY  
24 AMOUNT IS, WHICH COULD RANGE FROM 41,000 UP TO 59,000  
25 UP TO A HUNDRED THOUSAND, SHOULD BE A LUMP SUM. THE



1 LUMP SUM SHOULD BE PUT IN AN ESCROW ACCOUNT. THE  
2 ESCROW ACCOUNT SHOULD BE THE ACTUAL TRANSFER OF FUNDS  
3 WHERE THE CITY HAS ACCESS TO THAT MONEY, AND THE CITY'S  
4 MONEY OR THE JURISDICTION'S MONEY IS AVAILABLE FOR THEM  
5 TO FINISH A PLAN. THAT'S ALL WE REALLY WANT TO DO IS  
6 ACTUALLY HAVE A MESSAGE THAT THIS IS REAL. GET YOUR  
7 PLAN IN, GET IT IMPLEMENTED.  
8 WE DO BELIEVE IN THE PROMISE OF AB 939,  
9 AND WE BELIEVE IN AB 939, AND I WOULD HOPE THE WASTE  
10 BOARD WOULD MAKE THE STATE OF CALIFORNIA BELIEVERS IN  
11 AB 939. THAT'S YOUR OPPORTUNITY TOMORROW. SO CRRC  
12 SUPPORTS OPTION 1, AND WE'D LIKE TO MODIFY IT TO ALLOW  
13 PENALTIES TO BE SET ASIDE IN AN ESCROW ACCOUNT TO  
14 IMPLEMENT THE SRRE AND THE HHWE. AT THE SAME TIME FOR  
15 THE HHWE AND THE REST OF THE ITEMS, THAT THAT SAME  
16 POLICY APPLY TO -- ON THE PENALTY CRITERIA AND THE  
17 ESCROW ACCOUNT FOR THOSE PLANS AS WELL..  
18 I'VE BEEN DOING THIS SINCE 1993. IT'S  
19 BEEN GREAT WORKING WITH PAUL AND MANY, MANY TIMES BEEN  
20 IN FRONT OF THIS BOARD MENTIONING THE SAME AB 939  
21 ENFORCEMENT, AND IT'S TWO YEARS TILL THE YEAR 2000.  
22 WE'RE HERE. WE WANT TO IMPLEMENT IT. HELP US OUT.  
23 THANK YOU.  
24 CHAIRMAN PENNINGTON: THANK YOU. ANY  
25 QUESTIONS OF MR. --



1 BOARD MEMBER CHESBRO: I HAVE A COMMENT, MR.  
2 CHAIRMAN. BEHIND ALL THE TOUGH TALK ABOUT ENFORCEMENT,  
3 I THINK EVAN SAID SOMETHING THAT INVOLVED -- INDIRECTLY  
4 SAID THAT COMPLIANCE IS OBVIOUSLY THE GOAL. IT'S NOT  
5 PUNISHMENT. AND I THINK THE SUGGESTION OF HOW TO USE  
6 THE FINES IS WHERE I READ THAT IN HIS COMMENTS. AND I  
7 THINK WE OUGHT TO SERIOUSLY CONSIDER THAT.  
8 I THINK THERE NEEDS TO BE DEMONSTRATED  
9 THAT ULTIMATE BOTTOM LINE, BUT AT THE SAME TIME THE  
10 PURPOSE ISN'T TO SOAK FINES OUT OF LOCAL GOVERNMENT.  
11 THE PURPOSE IS TO REACH THE GOAL, BOTH AT JURISDICTION  
12 LEVEL AND AT THE STATE LEVEL. SO GOOD SUGGESTION.  
13 THANKS, EVAN.

14 CHAIRMAN PENNINGTON: THANK YOU. ANY OTHER?  
15 NEXT WE HAVE JOEL CORONA.

16 MR. CORONA: GOOD MORNING. MY NAME IS JOEL  
17 CORONA. I'M WITH RICHMOND SANITARY SERVICE. AND IT'S  
18 ALWAYS A PLEASURE TO FOLLOW EVAN, BUT I FEEL A LITTLE  
19 BIT LIKE LEONARD NIMOY FOLLOWING SINATRA.  
20 I FIRST WANTED TO SAY WE WISH PAUL GOOD  
21 FORTUNE. IT WAS REALLY A PLEASURE WORKING WITH YOU,  
22 AND YOUR CONTRIBUTIONS SPEAK FOR THEMSELVES, AND  
23 THEY'VE CERTAINLY BENEFITED CALIFORNIA, WHO IS THE  
24 ULTIMATE BENEFICIARY OF THAT.  
25 THE ONLY THREE ISSUES I WANTED TO TALK



1 ABOUT HAVE TO DO WITH THE ENFORCEMENT, AND I'LL LEAVE  
2 THEM AT THAT, AND IT HAS TO DO WITH THE VISION THAT YOU  
3 GUYS HAVE HAD OVER THE LAST YEARS, THE DISCIPLINE THAT  
4 YOU'VE HAD, THE MOMENTUM THAT'S BEEN ACHIEVED, AND ALSO  
5 THE ALIGNMENT THAT YOU'VE ACCOMPLISHED.  
6 OVER THESE PAST, LET'S CALL THEM, ALMOST  
7 TEN YEARS, WE'VE GONE THROUGH A LOT OF CHALLENGES, BUT  
8 YOU MADE VERY DIFFICULT DECISIONS. YOU MADE THEM FOR  
9 THE BEHALF OF CALIFORNIA. AND THAT MOMENTUM AND THE  
10 ALIGNMENT THAT YOU'VE ACHIEVED AT LOCAL GOVERNMENT HAS  
11 PROMPTED CAPITAL INVESTMENT. THAT CAPITAL INVESTMENT  
12 HAS GOTTEN US TO THE 25 PERCENT. THE PLACES WHERE  
13 WE'VE INVESTED MONEY AND BIG DOLLARS FOR A FIRM LIKE  
14 OURS, WE'RE WELL ON THE PATH TO 50 PERCENT BY 2000.  
15 ONE OF OUR SERVICE AREAS IS INTO THE - - WELL INTO THE  
16 40-PERCENT PERCENTILE.  
17 OTHER AREAS THAT MAY HAVE BEEN BEHIND THE  
18 CURVE A LITTLE BIT AND HAVEN'T MADE THAT COMMITMENT TO  
19 CAPITAL MAY NOT MAKE THAT COMMITMENT TO CAPITAL. THEY  
20 ARE HEARING SOME LOSS OF MOMENTUM. THEY'RE HEARING  
21 SOME MISALIGNMENT OF STATEMENTS FROM BOARD STAFF. AND  
22 I'M HERE TO ASK YOU TO MAKE SURE THAT THAT MOMENTUM  
23 STAYS THERE, MAKE SURE THAT THE ALIGNMENT FROM YOUR  
24 BOARD THROUGH ALL YOUR ADMINISTRATION ALL THE WAY DOWN  
25 TO STAFF, WHICH MEETS WITH LOCAL OFFICIALS, UNDERSTAND



1 THAT YOU DO MEAN BUSINESS AND THAT YOU'RE DOING THIS  
2 FOR CALIFORNIA. BECAUSE UNLESS THE MOMENTUM MAINTAINS,  
3 AND UNLESS THE ALIGNMENT STAYS THERE, CAPITAL  
4 INVESTMENT IS GOING TO BE DIFFICULT TO DO BECAUSE  
5 COMPANIES LIKE OURS, THERE ARE MANY THAT ARE SMALLER,  
6 THERE ARE MANY THAT ARE BIGGER, ARE GOING TO BE VERY  
7 CAUTIOUS ABOUT LAYING OUT THAT CAPITAL. AND WITHOUT  
8 THAT, I THINK WE'RE GOING TO HAVE A LOT OF DIFFICULTY  
9 GETTING TO 50 PERCENT, BUT I WILL STATE WITH TREMENDOUS  
10 CONFIDENCE, AS WE DID YEARS BACK, THAT WITH THAT  
11 INVESTMENT, WE'LL MAKE IT. AND I THINK IT'S A VERY  
12 ACHIEVABLE GOAL IN THE MAJORITY OF COMMUNITIES. THANK  
13 YOU.

14 BOARD MEMBER CHESBRO: THANKS, JOEL.

15 CHAIRMAN PENNINGTON: QUESTIONS?

16 BOARD MEMBER JONES: CAN I ASK JOEL ONE  
17 QUESTION? ON SOME OF YOUR FACILITIES, CPCFA FINANCING  
18 THEM?

19 MR. CORONA: YES.

20 BOARD MEMBER JONES: I THINK THAT THAT'S  
21 SOMETHING WE NEED TO TAKE INTO CONSIDERATION. THERE'S  
22 BEEN PUBLIC MONEY IN THE FORM OF BONDS. THERE'S ALSO  
23 PUBLIC MONEY IN THE FORM OF THE GUARANTEES OF CPCFA  
24 FINANCING.

25 MR. CORONA: THAT'S TRUE.



1 BOARD MEMBER JONES: I DON'T KNOW IF THE  
2 NUMBERS HAVE EVER PUT TOGETHER JUST WHAT THE INVESTMENT  
3 THROUGHOUT THE STATE OF CALIFORNIA HAS BEEN. I KNOW  
4 THAT IT IS AN ISSUE THAT I'VE ALWAYS -- YOU KNOW, HAVE  
5 BEEN VERY CONCERNED ABOUT BECAUSE I THINK THAT --  
6 TRUTHFULLY, I THINK THE CRUX OF AB 939 COMES DOWN TO  
7 OUR ACTIONS IN THE NEXT TWO DAYS, THE VIABILITY OF  
8 AB 939, AS WELL AS THE POTENTIAL FOR ECONOMIC DISASTER  
9 THROUGHOUT THE STATE.

10 AND I THINK THAT IT WOULD BE INTERESTING  
11 SOMETIME TO GET THE NUMBERS OF WHAT WAS SPENT IN PUBLIC  
12 BONDS AND IN CPCFA FINANCING TO BUILD THE INFRA-  
13 STRUCTURE TO MEET THIS LAW THAT HAD THESE PENALTIES  
14 ASSOCIATED WITH IT.

15 MR. CORONA: THAT'S VERY TRUE. AND I THINK  
16 ALSO THE BENEFITS THAT HAVE ACCRUED FROM THAT IN  
17 DIVERSION. AS I MENTIONED, WE WILL ACHIEVE THAT GOAL.  
18 IT'S ONE THAT'S VERY DOABLE, AND BUSINESS IS TELLING ME  
19 THAT. I DON'T KNOW THAT THEY HAD THE SAME MESSAGE TO  
20 THE BOARD TEN YEARS AGO, BUT WE'RE ALL VERY CONFIDENT  
21 ABOUT IT NOW. BUT IT REQUIRES, AGAIN, I CAN'T MENTION  
22 THE WORDS TOO MANY TIMES, AND THAT IS TO MAINTAIN THE  
23 MOMENTUM AND MAINTAIN THE ALIGNMENT AND TO DO THE RIGHT  
24 THING. THANK YOU.

25 CHAIRMAN PENNINGTON: MR. RICK BEST.



1 MR. BEST: THANK YOU, MR. CHAIRMAN AND BOARD  
2 MEMBERS. RICK BEST WITH CALIFORNIANS AGAINST WASTE.  
3 WANT TO ECHO THE COMMENTS THAT HAVE BEEN MADE BY THE  
4 PREVIOUS TWO SPEAKERS. I THINK IT IS CRITICALLY  
5 IMPORTANT THESE NEXT COUPLE OF DAYS IN TERMS OF THE  
6 BOARD DEMONSTRATING ITS RESOLVE TO FOLLOW THROUGH WITH  
7 ITS RESPONSIBILITY IN TERMS OF ENFORCING 939.  
8 WE, IN TERMS OF THE ENVIRONMENTAL  
9 COMMUNITY, CALIFORNIANS AGAINST WASTE, THE SIERRA CLUB,  
10 PLANNING AND CONSERVATION LEAGUE, AND LEAGUE OF  
11 CONSERVATION VOTERS, HAVE BEEN FOLLOWING WHAT'S BEEN  
12 BEING DONE BY THE BOARD, BY THE LEGISLATURE IN TERMS OF  
13 ENSURING THAT THE BOARD MAKES A FAIR BUT EFFECTIVE  
14 ENFORCEMENT OF 939.  
15 AND I THINK THIS FIRST STEP IN TERMS OF  
16 LOOKING AT THE SUBMITTAL OF DOCUMENTS IS A CRITICAL  
17 FIRST STEP IN TERMS OF DEMONSTRATING THAT THE BOARD IS,  
18 IN FACT, GOING TO TAKE ACTIONS IN ENFORCING 939.  
19 THE FACT IS HUNDREDS OF JURISDICTIONS  
20 HAVE DEMONSTRATED THAT COMMITMENT. LOCAL ELECTED  
21 OFFICIALS, AS BOARD MEMBER JONES HAS POINTED OUT, HAVE  
22 PUT THEIR REPUTATIONS ON THE LINE IN TERMS OF MAKING  
23 THE COMMITMENTS OF PUBLIC DOLLARS TO THESE PROGRAMS.  
24 SO I THINK IT'S CRITICALLY IMPORTANT THAT WE  
25 DEMONSTRATE OUR RECOGNITION OF THAT AND DEMONSTRATE





1 THAT WE ARE GOING TO TAKE THE ENFORCEMENT ACTION  
2 NECESSARY IN 939.  
3 I THINK IT IS ENTIRELY APPROPRIATE IN  
4 TERMS OF THE MONIES THAT ARE POTENTIALLY FINED ON  
5 JURISDICTIONS TO MAKE SURE THAT THOSE MONIES GO TOWARDS  
6 HELPING THOSE JURISDICTIONS COMPLY WITH THE LAW.  
7 I THINK, AS MR. CHESBRO HAS POINTED OUT,  
8 COMPLIANCE IS WHAT WE'RE AFTER, BUT I THINK IT IS  
9 IMPORTANT THAT WE DEMONSTRATE OUR WILLINGNESS TO  
10 ENFORCE IN 939. IT ISN'T JUST LOCAL GOVERNMENTS WHO'VE  
11 MADE INVESTMENTS. IT'S THE RESIDENTS OF CALIFORNIA WHO  
12 ARE -- USE PROGRAMS ON A DAILY BASIS. IT'S THE  
13 RECYCLING BUSINESSES, THE INDEPENDENTS, SOLID WASTE  
14 INDUSTRY REPRESENTATIVES, IT'S THE MANUFACTURERS WHO  
15 ARE MAKING THE INVESTMENTS IN CREATING CAPACITY FOR  
16 RECYCLED MATERIALS. ALL OF THESE FOLKS ARE  
17 MAKING A COMMITMENT TO FULFILLING THIS LAW, AND I THINK  
18 IT'S IMPORTANT THAT WE DEMONSTRATE THAT WE'RE GOING TO  
19 FOLLOW THROUGH.  
20 SO I WANT TO ECHO THOSE COMMENTS, AND I'M  
21 PLEASED TO SEE THAT THE BOARD THIS FIRST MONTH IN 1998  
22 IS GOING TO DEMONSTRATE MOVING FORWARD WITH ENFORCING  
23 939.

24 CHAIRMAN PENNINGTON: THANK YOU. QUESTIONS OF  
25 MR. BEST? THANK YOU. NEXT WE HAVE JIM GRECO.



1 MR. GRECO: FOR THE RECORD, MY NAME IS JIM  
2 GRECO. I AM AN INDEPENDENT SOLID WASTE MANAGEMENT  
3 CONSULTANT DOING BUSINESS AS CALIFORNIA WASTE  
4 ASSOCIATES.  
5 I HAVE VALUED THE OPPORTUNITY TO WORK  
6 WITH MANY OF YOU AND BOARD STAFF, AND IT'S BEEN VERY  
7 HELPFUL. AND I APPLAUD YOU FOR THE STEPS YOU ARE  
8 TAKING TO RAISE THE SERIOUSNESS OF THIS ISSUE. I DON'T  
9 QUIBBLE WITH THAT. THE ONLY REASON I WANT TO MAKE AN  
10 EXPRESSION HERE IS THAT, AS YOU GO FORWARD, THIS IS  
11 RAISING THE LEVEL OF AWARENESS, INTENSITY, AND  
12 COMPLIANCE AMONGST JURISDICTIONS THROUGHOUT THIS STATE.  
13 HOWEVER, AS YOU IDENTIFY FOUR JURIS-  
14 DICTIONS INITIALLY FOR TOMORROW, ALL I ASK IS BE FAIR.  
15 AS ANY ISSUE COMES FORWARD, THERE ARE MORE PARTICULAR  
16 ISSUES. THERE'S ISSUES OF FAIRNESS, OF EQUITY, OF  
17 PROCESS, AND I FEAR THAT AS WE COME CLOSER AND WE  
18 IDENTIFY JURISDICTIONS, THERE MIGHT BE PRESSURE BUILT  
19 UP SO GREAT, THAT THERE'S A TENDENCY MAYBE TO OVERLOOK  
20 SOME ISSUES.  
21 SO I'M NOT SPEAKING ON BEHALF OF ANY  
22 JURISDICTION EXCEPT AS I'VE OBSERVED THIS PROCESS AND  
23 REALLY HOW PLEASED I AM THAT YOU ARE TAKING ATTENTION  
24 AND YOU'RE LOOKING AT ENFORCEMENT. IT HAS BEEN NEEDED.  
25 THANK YOU.



1 CHAIRMAN PENNINGTON: QUESTIONS OF MR. GRECO?  
2 IF NOT, THANK YOU.  
3 BOARD MEMBER CHESBRO: MR. CHAIRMAN, IS THAT  
4 ALL THE SPEAKERS?  
5 CHAIRMAN PENNINGTON: YES.  
6 BOARD MEMBER CHESBRO: THE COMMITTEE DID  
7 RECOMMEND THIS WITH THE MODIFICATION THAT MR. FRAZEE  
8 SUGGESTED AT THE COMMITTEE. I'M ALSO WILLING TO  
9 ENTERTAIN MR. EDGAR'S SUGGESTION. I DON'T KNOW THAT WE  
10 HAVE THE WORDING IN FRONT OF US TO DO IT NOW, BUT WE  
11 CAN GIVE DIRECTION TO STAFF TO BRING BACK TO US THIS  
12 QUESTION OF HOW -- SOME SORT OF A POLICY WITH REGARDS  
13 TO HOW FINES WOULD BE UTILIZED. AND WE MAY WIND UP  
14 ACTUALLY SETTING POLICY ON THAT TOMORROW. WE'LL SEE.  
15 MY ONE COMMENT WOULD BE TO REMIND  
16 EVERYBODY, FOR A COUPLE OF REASONS, THAT THE  
17 OVERWHELMING MAJORITY OF JURISDICTIONS IN THE STATE  
18 ARE IN COMPLIANCE. AND THAT'S FOR TWO REASONS. ONE IS  
19 I THINK LOCAL GOVERNMENT DESERVES CREDIT, AND IT'S  
20 IMPORTANT FOR US NOT JUST TO FOCUS ON THE NEGATIVES  
21 WHEN THERE ARE SOME THAT HAVE NOT ACHIEVED COMPLIANCE.  
22 BUT SECONDLY, IT'S ALSO TO POINT OUT THAT  
23 THOSE THAT HAVEN'T REALLY HAVE SOME EXPLAINING TO DO  
24 BECAUSE I THINK ANY OF YOU WHO HAVE BEEN INVOLVED IN  
25 ANY STATE MANDATED PLANNING PROCESS KNOW THAT THERE IS



1 NO PRECEDENT IN THE HISTORY OF STATE GOVERNMENT FOR THE  
2 LEVEL OF COMPLIANCE THAT WE'VE ACHIEVED. AND I THINK  
3 THAT'S BECAUSE WE'VE DONE SUCH A GREAT JOB, STAFF HAS  
4 DONE SUCH A GREAT JOB OF WORKING WITH JURISDICTIONS.  
5 UNFORTUNATELY, SOME WHO WANT TO INTERPRET IT THAT WAY  
6 INTERPRET THAT FRIENDLINESS AND COOPERATION AND  
7 PARTNERSHIP AS, GEE, YOU DON'T HAVE TO DO ANYTHING.  
8 AND I THINK WE'VE HEARD SOME COMMENTS TODAY.  
9 I DON'T THINK THAT'S THE MESSAGE STAFF  
10 DELIVERS, BUT PEOPLE WHO CHOOSE TO READ THAT THAT .WAY  
11 HAVE READ IT THAT WAY, AND THAT'S PERHAPS WHY WE NEED  
12 TO TAKE SOME ENFORCEMENT ACTION WHEN THERE IS CLEARLY  
13 NOT COMPLIANCE.  
14 BUT I DO WANT TO EMPHASIZE THE  
15 OVERWHELMING 99-PERCENT COMPLIANCE THAT WE HAVE  
16 ACHIEVED BEFORE WE TAKE THIS STEP TODAY AND BEFORE WE  
17 HAVE OUR DISCUSSIONS TOMORROW. AND WITH THAT, I'M --  
18 I'D LIKE TO MOVE THE COMMITTEE'S RECOMMENDATION WITH  
19 DIRECTION TO STAFF TO REPORT BACK TO THE COMMITTEE AND  
20 BOARD ON THE POLICY QUESTION OF HOW ANY FINES MIGHT BE  
21 UTILIZED WITH THE OPTION OF - - THAT MR. EDGAR SUGGESTED  
22 OF SOME SORT OF ESCROW ACCOUNT WHERE THE FUNDS COULD,  
23 IN FACT, BE APPLIED TOWARDS COMPLIANCE.

24 BOARD MEMBER GOTCH: I'LL SECOND.

25 CHAIRMAN PENNINGTON: OKAY.



1 MR. CHANDLER: I'LL ASK JUDY HERE IN A SECOND  
2 TO FOLLOW UP WITH MY REMARKS, BUT IN THE BRIEFINGS THAT  
3 SHE GAVE ME, I KNOW THAT HER PRESENTATION TOMORROW WILL  
4 REFERENCE THAT ANY FINES THAT THIS BOARD MAY LEVY, I  
5 BELIEVE, THROUGH STATUTE OR REGULATION CALL THAT THE  
6 MONIES BE DEDICATED FOR PURPOSES OF THE PLANNING  
7 PROGRAM.

8 MS. FRIEDMAN: MR. CHANDLER, FOR PURPOSES OF  
9 ASSISTING JURISDICTIONS TO ACHIEVE COMPLIANCE. AND SO  
10 I DON'T WANT TO PREEMPT WHAT YOU ARE GOING TO SAY, BUT  
11 STAFF WOULD RECOMMEND THAT WE COME BACK WITH -- THAT  
12 YOU REPORT BACK OR WE REPORT BACK WITH OPTIONS FOR THE  
13 BOARD TO CONSIDER ON HOW TO DO THAT.

14 MR. CHANDLER: SO IN OTHER WORDS, AGAIN, WE'RE  
15 GETTING AHEAD OF OURSELVES; BUT IF IN TOMORROW'S  
16 DISCUSSION THE COMMENTS THAT WE'VE HEARD TODAY ARE  
17 COMMENTS YOU WANT TO PURSUE, IT IS NOT PART OF THE  
18 STAFF'S PRESENTATION, IT'S NOT PART OF THE STAFF'S  
19 RECOMMENDATION, AND THEREFORE IT HAS NOT REALLY BEEN  
20 REVIEWED BY THE PUBLIC OR OFFERED AN OPPORTUNITY FOR  
21 THE PUBLIC TO COMMENT ON THAT.

22 HOWEVER, GIVEN THE FLEXIBILITY THAT THE  
23 STATUTE CALLS FOR, IF YOU WANTED TO SEE THAT IDEA  
24 PURSUED, I AGREE WITH MS. FRIEDMAN'S RECOMMENDATION.  
25 WITH THAT DIRECTION, WE WOULD GO BACK AND DEVELOP A



1 PROGRAM OR DESIGN A PROGRAM THAT YOU ALL COULD CONSIDER  
2 AT A LATER DATE.

3 BOARD MEMBER CHESBRO: AND THAT WAS THE  
4 INTENTION OF MY MOTION. THAT'S WHAT I INTENDED.

5 CHAIRMAN PENNINGTON: I THINK THAT WHAT MR.  
6 CHESBRO'S MOTION GOES TO IS TO GET A REPORT BACK IN  
7 TERMS OF HOW WE CAN DO THAT.

8 BOARD MEMBER RELIS: SO DOES THAT MEAN, MR.  
9 CHAIR, THAT WE WOULD FOREGO A DISCUSSION ON THAT  
10 TOMORROW SHOULD THAT COME UP? DOES THIS COVER - - DOES  
11 THIS COVER THE USE OR THE INTENT?

12 MR. CHANDLER: I WOULD RECOMMEND --

13 CHAIRMAN PENNINGTON: I WOULD THINK SO. I  
14 THINK WHAT SHE SAID WAS THAT SHE'S GOING TO INSTRUCT US  
15 TOMORROW THAT THIS MONEY IS TO BE USED TO AID LOCAL  
16 GOVERNMENTS IN PLANNING AND HELPING ASSIST THEM GET TO  
17 TWO OF THE GOALS, SO I THINK THAT'S ALL THAT WILL BE  
18 SAID. CORRECT?

19 MS. FRIEDMAN: THAT'S CORRECT. LET ME JUST BE  
20 REALLY CLEAR THOUGH. I THINK MR. RELIS ASKED ABOUT  
21 WHETHER OR NOT THE DISCUSSION COULD BE CENTERED ON  
22 THAT. I THINK WHAT BOTH MR. CHANDLER AND MYSELF ARE  
23 TRYING TO SAY HERE, TO BE CLEAR, IS THAT YOU CAN HAVE A  
24 DISCUSSION ABOUT THAT, BUT WE WOULD LIKE TO COME BACK  
25 TO THE BOARD WITH OPTIONS FOR THE BOARD TO CONSIDER AND



1 EXACTLY THE DETAILS ON HOW THAT ANY ACCOUNT OR ANY  
2 MONIES WOULD BE HANDLED AND MANAGED SO THAT YOU WOULD  
3 HAVE OPTIONS AND THE PUBLIC WOULD HAVE THE OPTION OF  
4 COMMENTING ON THAT BEFORE YOU MADE THAT DECISION. SO  
5 THAT WAS BASICALLY WHAT WE WERE SPEAKING TO.

6 BOARD MEMBER CHESBRO: KIND OF RUNNING THROUGH  
7 SOME OF TOMORROW'S ISSUES A LITTLE BIT EARLY. I MEAN  
8 IT'S GOOD IN A WAY, THOUGH, BECAUSE WE'RE DISCUSSING  
9 THEM MORE GENERALLY RATHER THAN JUST -- I THINK SOME  
10 GENERAL DISCUSSION ABOUT THIS TOPIC BEFORE WE GET TO  
11 THE SPECIFICS IS NOT A BAD THING. BUT IT IS REALLY  
12 MORE RELEVANT TO THE DIRECT ENFORCEMENT QUESTIONS WE  
13 HAVE BEFORE US TOMORROW.

14 CHAIRMAN PENNINGTON: I THINK STAFF  
15 UNDERSTANDS WHERE WE'RE GOING, AND THEY SHOULD COME  
16 BACK WITH SOME OPTIONS AND WE SHOULD DEBATE THAT IN  
17 PUBLIC SO THAT WE CAN HEAR WHAT THE PUBLIC HAS TO SAY  
18 ABOUT IT.

19 BOARD MEMBER JONES: MR. CHAIRMAN, CAN I ASK  
20 ONE QUESTION? BECAUSE I LIKE THE IDEA OF THIS ESCROW  
21 ACCOUNT, AND I THINK IT -- IN MY MIND, IF YOU ARE GOING  
22 TO HELP A LOCAL GOVERNMENT, IF THE MONEY IS EARMARKED  
23 TO A LOCAL GOVERNMENT, YOU SET UP A FUNDING MECHANISM  
24 THAT INSURES THAT, I THINK WE CAN DISCUSS THAT TOMORROW  
25 AS PART OF THE REMEDY. BUT UNDER -- AND MAYBE THIS IS



1 GERMANE TO THIS ITEM 11.

2 WE HAVE A CRITERIA THAT WE'RE SAYING

3 WE'RE ESTABLISHING, OKAY, AS FAR AS HOW WE'RE GOING TO

4 LOOK AT THINGS, HOW THIS PROCESS IS GOING TO GO. THERE

5 ISN'T A CRITERIA, IS THERE, THAT SAYS HOW THE MONEY IS

6 GOING TO BE ACCEPTED OR USED? IT'S JUST THAT IF THERE

7 ARE FINES MADE, YOU KNOW, WE'RE GOING TO DEAL WITH IT.

8 SO IT'S STILL -- IT WOULD SEEM TO ME IT WOULD BE A PART

9 OF HOW YOU WOULD SET UP THE RESULTS OF YOUR HEARING,

10 YOU KNOW, I MEAN OF YOUR DELIBERATIONS AS TO --

11 MR. CHANDLER: WHAT WE'RE PREPARED TO COVER

12 TOMORROW IS AN ARTICULATION OF THE FOLLOWING: THE

13 BOARD SHALL NOT USE THE MONEY COLLECTED FROM THE

14 PENALTIES IMPOSED PURSUANT TO SUBDIVISION A FOR

15 ADMINISTRATIVE PURPOSES. THE BOARD SHALL USE THE MONEY

16 COLLECTED FROM THE PENALTIES IMPOSED PURSUANT TO

17 SUBDIVISION A, TO THE EXTENT POSSIBLE, TO ASSIST LOCAL

18 GOVERNMENTS IN MEETING THE REQUIREMENTS OF THIS PART.

19 THAT'S STATUTE 41813(D).

20 NOW, ALL I'M SAYING IS THAT WE WILL COVER

21 THAT -- JUDY WILL COVER THAT IN HER REMARKS TOMORROW.

22 WE ARE NOT PREPARED TO GO BEYOND THAT AS FAR AS HOW THE

23 MECHANICS OF THAT ARE ALL WORKED OUT, BUT WOULD TAKE

24 YOUR DIRECTION TO DEVELOP OPTIONS AROUND THAT.

25 BOARD MEMBER FRAZEE: MY REMARKS MIGHT BE MORE





1 APPROPRIATE TOMORROW, BUT THE STAGE HAS BEEN SET FOR  
2 THEM, AND I'LL GET THEM OUT OF THE WAY TODAY.  
3 I THINK IT MIGHT BE EASY TO SAY CLOSE IS  
4 GOOD ENOUGH, THAT WE'VE ACHIEVED A 99-PERCENT  
5 COMPLIANCE RATE. AND I THINK OF TWO OR THREE OTHER  
6 ACTIVITIES I'VE HAD AN INVOLVEMENT IN. FIRST IS THE  
7 AIRPORT LAND USE PLANS THAT WERE A MANDATE SOME 20 OR  
8 25 YEARS AGO; AND AT MY LAST REPORT, THOSE STILL HAVE  
9 NOT BEEN COMPLETED, AND THEY'RE NOT ANYWHERE NEAR THE  
10 99-PERCENT COMPLIANCE.  
11 THE SECOND IS THE COASTAL PLANS, AND I  
12 THINK THEY'RE PERHAPS IN THE SAME STATE OF AFFAIRS.  
13 THERE'S NOT ANYWHERE NEAR THE COMPLIANCE WE'VE  
14 ACHIEVED, AND IT WAS SOMETHING THAT WENT ON THE BOOKS  
15 IN 1972. 50 I THINK WE' DESERVE A PAT ON THE BACK FOR  
16 ALL OF WHAT'S BEEN ACCOMPLISHED, BUT THAT'S A TWO-EDGED  
17 SWORD BECAUSE ON THE OTHER SIDE OF IT, GETTING SO CLOSE  
18 REALLY CREATES AN UNFAIR SITUATION FOR THOSE JURISDIC-  
19 TIONS THAT HAVE NOT COMPLIED OR UNFAIR TO OTHERS FOR  
20 THOSE WHO HAVE NOT COMPLIED.  
21 AND I THINK THAT ACHIEVING THE EPITOME OF  
22 COMPLIANCE IS AN AMBITIOUS GOAL, BUT WE'RE SO CLOSE,  
23 AND I THINK WE NEED TO MOVE FORWARD TO DOING THAT.  
24 I THINK OF ONE OTHER SITUATION, ALTHOUGH  
25 IT DID NOT HAVE TO DO WITH THE REGULATORY, BUT WITH THE



1 SAME JURISDICTIONS, AND THAT WAS DURING MY TIME ON THE  
2 BOARD OF THE LEAGUE OF CALIFORNIA CITIES WHEN WE BUILT  
3 THE NEW BUILDING DOWNTOWN. AND THAT BUILDING WAS BUILT  
4 WITHOUT ONE CENT OF FINANCING, AND IT WAS DONE WITH  
5 CONTRIBUTIONS FROM 100-PERCENT PARTICIPATION FROM EVERY  
6 CITY IN CALIFORNIA FROM THE SEVERAL MILLION DOLLAR  
7 CONTRIBUTION FROM THE CITY OF LOS ANGELES DOWN TO THE  
8 FEW HUNDRED FOR THE VERY SMALLEST JURISDICTION, BUT 100  
9 PERCENT OF THE CITIES VOLUNTARILY, ALTHOUGH IT WAS AN  
10 INCENTIVE, AND THAT'S THE BOARD VOTED TO WAIVE ANY  
11 MEMBERSHIP FEE INCREASES FOR A PERIOD OF YEARS AND  
12 APPLY THAT MONEY TO THE CONSTRUCTION OF THE BUILDING.  
13 I THINK THAT'S THE INCENTIVE THAT WE HAVE  
14 HERE ALSO, AND WHAT EVAN EDGAR HAS SUGGESTED, THAT THIS  
15 MONEY CAN GO BACK TO HELP THESE JURISDICTIONS IN THEIR  
16 COMPLIANCE SITUATION. SO THERE'S BOTH THE CARROT AND  
17 THE STICK IN THIS, AND I'M REALLY PLEASED. AND I THINK  
18 PAUL OUGHT TO BE IN SEEING US REACH THIS FINAL PHASE  
19 PERHAPS OF COMPLIANCE DURING HIS LAST MEETING WITH US.

20 CHAIRMAN PENNINGTON: THANK YOU, MR. FRAZEE.

21 YES, MR. CHESBRO.

22 BOARD MEMBER CHESBRO: I GUESS THERE'S TWO  
23 RESOLUTIONS HERE, SO I WILL MODIFY MY PREVIOUS  
24 RESOLUTION TO MAKE IT RELEVANT FOR THE MOMENT, JUST  
25 RESOLUTION 98-28 WITH THAT DIRECTION TO STAFF THAT I



1 HAD MENTIONED, AND THEN I'LL MAKE A SEPARATE MOTION ON  
2 RESOLUTION 98-29.

3 CHAIRMAN PENNINGTON: OKAY. SECOND THAT.  
4 OKAY. WE HAVE BEFORE US A MOTION TO ADOPT RESOLUTION  
5 98-28. NO FURTHER DISCUSSION, WILL THE SECRETARY CALL  
6 THE ROLL, PLEASE.

7 THE SECRETARY: BOARD MEMBER CHESBRO.

8 BOARD MEMBER CHESBRO: AYE.

9 THE SECRETARY: FRAZEE.

10 BOARD MEMBER FRAZEE: AYE.

11 THE SECRETARY: GOTCH.

12 BOARD MEMBER GOTCH: AYE.

13 THE SECRETARY: JONES.

14 BOARD MEMBER JONES: AYE.

15 THE SECRETARY: RELIS.

16 BOARD MEMBER RELIS: AYE.

17 THE SECRETARY: CHAIRMAN PENNINGTON.

18 CHAIRMAN PENNINGTON: AYE. MOTION CARRIES.

19 BOARD MEMBER CHESBRO: MR. CHAIRMAN, I MOVE  
20 RESOLUTION 98-29.

21 CHAIRMAN PENNINGTON: DISCUSSION? THERE BEING  
22 NO FURTHER DISCUSSION, WILL THE SECRETARY CALL THE  
23 ROLL.

24 THE SECRETARY: BOARD MEMBER CHESBRO.

25 BOARD MEMBER CHESBRO: AYE.



1 THE SECRETARY: FRAZEE.  
2 BOARD MEMBER FRAZEE: AYE.  
3 THE SECRETARY: GOTCH.  
4 BOARD MEMBER GOTCH: AYE.  
5 THE SECRETARY: JONES.  
6 BOARD MEMBER JONES: AYE.  
7 THE SECRETARY: RELIS.  
8 BOARD MEMBER RELIS: AYE.  
9 THE SECRETARY: CHAIRMAN PENNINGTON.  
10 CHAIRMAN PENNINGTON: AYE. MOTION CARRIES.  
11 TAKE ABOUT A FIVE-MINUTE BREAK HERE.  
12 (RECESS TAKEN.)  
13 CHAIRMAN PENNINGTON: WE'VE GOT A LOT TO DO  
14 TODAY, SO I'M GOING TO TRY TO RUSH US ALONG HERE A  
15 LITTLE BIT. IF NO ONE HAS ANY OBJECTIONS, THE LEA FROM  
16 SAN BERNARDINO COUNTY HAS ASKED IF WE CAN MOVE THEM UP  
17 50 THAT THEY CAN CATCH THEIR AIRPLANE BACK TO SOUTHERN  
18 CALIFORNIA. SO WITHOUT OBJECTION FROM THE BOARD, I'D  
19 LIKE TO TAKE UP ITEM 24 RIGHT NOW. THIS IS  
20 CONSIDERATION OF WHETHER TO SCHEDULE A HEARING FOR AN  
21 APPEAL FROM A DECISION OF THE SAN BERNARDINO COUNTY  
22 SOLID WASTE INDEPENDENT HEARING PANEL FILED BY THE  
23 PACIFIC SOUTHWEST FARMS. KATHRYN TOBIAS.  
24 MS. TOBIAS: ELLIOT BLOCK WILL BE PRESENTING  
25 THIS ITEM.



1 MR. BLOCK: GOOD MORNING, CHAIRMAN AND BOARD  
2 MEMBERS. I'M ELLIOT BLOCK WITH THE LEGAL OFFICE. WE  
3 HAVE BEFORE YOU TODAY ITEM NO. 24, WHICH IS A DECISION  
4 WHETHER OR NOT TO SCHEDULE A HEARING FOR AN APPEAL FROM  
5 A DECISION BY THE SAN BERNARDINO COUNTY SOLID WASTE  
6 INDEPENDENT HEARING PANEL FILED BY PACIFIC SOUTHWEST.  
7 THE SAN BERNARDINO COUNTY LEA ISSUED A  
8 NOTICE AND ORDER TO PACIFIC SOUTHWEST FARMS IN  
9 SEPTEMBER OF 1997, AND PACIFIC SOUTHWEST FARMS APPEALED  
10 THAT NOTICE AND ORDER TO THE LOCAL HEARING PANEL. ON  
11 DECEMBER 2, 1997, THE LOCAL HEARING PANEL UPHELD THAT  
12 NOTICE AND ORDER, AND PACIFIC SOUTHWEST FARMS HAS FILED  
13 AN APPEAL TO THAT ORDER. A COPY OF THE NOTICE AND  
14 ORDER AND THE HEARING PANEL DECISION ARE IN ATTACHMENT  
15 2 TO YOUR ITEM, A COPY OF THE APPEAL FROM PACIFIC  
16 SOUTHWEST FARMS IS ATTACHMENT 3, AND A COPY OF A LETTER  
17 REGARDING THE APPEAL FROM -- WRITTEN BY THE COUNTY IS  
18 IN ATTACHMENT NO. 4.  
19 PUBLIC RESOURCES CODE SECTION 45031  
20 PROVIDES SOME OPTIONS FOR THE BOARD WHICH NEED TO BE  
21 TAKEN WITHIN 30 DAYS OF RECEIVING THE APPEAL. ONE OF  
22 THOSE IS NOT APPLICABLE TO THIS PARTICULAR. SITUATION.  
23 THE THREE OPTIONS ARE TO DETERMINE NOT TO HEAR THE  
24 APPEAL IF THE APPELLANT FAILS TO RAISE SUBSTANTIAL  
25 ISSUES, TO DETERMINE TO ACCEPT THE APPEAL AND TO DECIDE



1 THE MATTER ON THE BASIS OF THE RECORD BEFORE IT AND/OR  
2 WRITTEN ARGUMENTS, AND THE THIRD OPTION WOULD BE TO  
3 DETERMINE TO ACCEPT THE APPEAL AND HOLD A HEARING  
4 WITHIN 60 DAYS ON THE APPEAL.  
5 THE STAFF RECOMMENDATION IS THAT THE  
6 BOARD TAKE OPTION 1, WHICH IS TO DETERMINE NOT TO HEAR  
7 THE APPEAL BECAUSE THIS APPEAL DOES NOT RAISE  
8 SUBSTANTIAL ISSUES. THIS APPEAL AND THE NOTICE AND  
9 ORDER THAT IS BEING APPEALED IS A DIFFERENT NOTICE AND  
10 ORDER FROM THE APPEAL THAT THE BOARD HEARD FROM PACIFIC  
11 SOUTHWEST FARMS LAST YEAR IN APRIL AND MAY; HOWEVER,  
12 THE UNDERLYING FACTS ARE ESSENTIALLY THE SAME.  
13 THE DOCUMENTS THAT WERE SUBMITTED BY THE  
14 APPELLANT AND COPIES OF WHICH ARE THE ATTACHMENTS AND  
15 HAVE BEEN PROVIDED TO YOU HAVE NOT PROVIDED ANY  
16 SIGNIFICANT DIFFERENT INFORMATION THAT WOULD CAUSE US  
17 TO RECOMMEND THE BOARD TAKE DIFFERENT ACTION IN THIS.  
18 AND, THEREFORE, WE FEEL ACCEPTING THE APPEAL WOULD NOT  
19 BE APPROPRIATE.  
20 BOTH BARRY MEIJER AND REPRESENTATIVES OF  
21 THE COUNTY ARE HERE, AND IT WOULD PROBABLY BE BETTER TO  
22 LET THEM GO AHEAD AND STATE THEIR CASE, AND I'LL STOP  
23 AT THAT POINT.  
24 CHAIRMAN PENNINGTON: OKAY. I HAVE A SLIP  
25 FROM BARRY MEIJER.



1 MR. MEIJER: GOOD MORNING. THE LEA ISSUED A  
2 NOTICE AND ORDERS ON APRIL THE 17TH, 1997, THAT PACIFIC  
3 SOUTHWEST WAS AN ILLEGAL DISPOSAL SITE. THIS NOTICE  
4 AND ORDERS WAS, IN FACT, BEFORE THE APPEAL WAS HEARD  
5 ABOUT THE PREVIOUS NOTICE AND ORDERS.  
6 I WANT TO START OFF THERE AND JUST GIVE A  
7 LITTLE EXPLANATION OF WHAT'S GOING ON HERE. THE  
8 PURPOSE OF THIS FACILITY, AS YOU KNOW, OF COURSE, IS A  
9 VERMICULTURE FACILITY AND IS TO PROCESS GREEN WASTE AND  
10 FEED IT TO WORMS AND SELL THE FINISHED MATERIAL.  
11 THIS -- THE MATERIAL -- EXCUSE ME -- THE  
12 INCOME THAT WE HAVE GENERATED AT THIS FACILITY HAS BEEN  
13 THROUGH TIPPING FEES, AND THAT TIPPING FEE HAS BEEN  
14 SUFFICIENT FOR US TO PRODUCE THE MATERIAL ALL THE WAY  
15 THROUGH FROM RECEIVING IT TO THE END PRODUCT WHERE THE  
16 END PRODUCT IS OF ZERO VALUE TO US.  
17 THE BASIS OF THIS PROJECT HAS ALWAYS BEEN  
18 BASED ON HOW FAR WE ARE FROM OUR END MARKETS SO THAT  
19 WHATEVER WE SELL THE PRODUCT FOR CAN PAY FOR TRANSPOR=  
20 TATION.  
21 THE LEA FELT THAT THE MATERIAL WAS TOO  
22 CONTAMINATED THAT WE'RE FEEDING THE WORMS AND ISSUED A  
23 NOTICE AND ORDERS THAT WE NEEDED A SOLID WASTE TRANSFER  
24 PERMIT, WHICH WAS THE ISSUE THAT WE APPEALED BEFORE  
25 THIS BOARD. PRIOR TO THIS APPEAL BEING HEARD, THE LEA



1 ISSUED A NEW NOTICE AND ORDERS THAT WE WERE, IN FACT,  
2 AN ILLEGAL DISPOSAL SITE. I BELIEVE IN CONTRARY TO  
3 WHAT YOU ARE SAYING, ELLIOT, THAT IS A VERY  
4 SUBSTANTIAL -- RESPECTFULLY, THAT THAT IS A VERY  
5 SUBSTANTIAL ISSUE.  
6 THE ISSUE BEFORE THE BOARD IS NOT WHETHER  
7 WE NEED A SOLID WASTE FACILITY PERMIT, BUT WHETHER  
8 WE'RE AN ILLEGAL LANDFILL. THE BOARD SENT THIS MATTER  
9 BACK TO A HEARING PANEL TO DETERMINE A REASONABLE  
10 AMOUNT OF TIME FOR US TO REMOVE THE MATERIAL. PRIOR TO  
11 CONVENING OF THE INDEPENDENT HEARING PANEL COULD BE  
12 RECONVENED, THE COUNTY OF SAN BERNARDINO INFORMED US  
13 THAT THEY HAD NO INTENT OF RECONVENING THE INDEPENDENT  
14 HEARING PANEL, THAT, IN FACT, THE BOARD DID NOT HAVE  
15 THE AUTHORITY TO MAKE THE PREVIOUS DECISION AND THAT  
16 THEY WERE GOING TO PURSUE IT IN A COURT OF LAW.  
17 WE TOOK THIS MATTER TO CHRIS PECK, WHO  
18 WAS THE OMBUDSMAN FOR US; AND AFTER SOME TIME PERIOD,  
19 THE COUNTY CAME BACK AND SAID, YES, THEY WOULD  
20 RECONVENE THE INDEPENDENT HEARING PANEL. PRIOR TO THE  
21 CONVENING OF THE INDEPENDENT HEARING PANEL, THE COUNTY  
22 ISSUED A NOTICE TO ABATE, THAT WE WERE, IN FACT, A  
23 PUBLIC NUISANCE.  
24 THIS SITUATION IN ITS ENTIRETY CREATED A  
25 SITUATION WHERE THE WASTE HAULERS AND THE PERSON





1 RESPONSIBLE FOR HAULING THE WASTE AWAY FELT THAT WE  
2 COULD FIND NO RESOLUTION WITH THIS MATTER ON THE  
3 COUNTY, THAT, IN FACT, THE INTENT WAS NOT TO HAVE THE  
4 6.4 ACRES RECTIFIED, BUT, IN FACT, JUST TO SHUT PACIFIC  
5 SOUTHWEST FARMS DOWN.  
6 ON JUNE ON -- EXCUSE ME -- ON AUGUST THE  
7 17TH, THE LEA ISSUED A NOTICE, REISSUED THE NOTICE AND  
8 ORDER THAT WE ARE, IN FACT, A SOLID WASTE DISPOSAL  
9 FACILITY. IT IS OBVIOUSLY CLEAR THAT WE'RE NOT A SOLID  
10 WASTE DISPOSAL FACILITY AND THAT WE SHOULD NOT BE  
11 CONSIDERED AS SUCH. AND THAT THAT IS WHAT THIS APPEAL  
12 IS ABOUT IS ARE WE A SOLID WASTE DISPOSAL FACILITY.  
13 WE HAVE IN THE LAST YEAR AND A HALF WHILE  
14 THIS HAS BEEN GOING ON SPENT \$250,000 ON LEGAL BILLS  
15 WHICH CAME OUT OF INCOME THAT WE GENERATED OUT OF THIS  
16 FACILITY. THIS HAS EFFECTIVELY SHUT DOWN THIS  
17 FACILITY. I MEAN THE ONLY THING WE'RE DOING RIGHT NOW  
18 IS WE ARE SELLING SOME CASTINGS, WHICH WE ARE EXPORTING  
19 TO JAPAN AND PAKISTAN.  
20 AND I THINK THAT THERE NEEDS TO BE A  
21 DECISION BY THIS BOARD AS TO WHAT IS GOING TO HAPPEN AT  
22 THIS FACILITY. I MEAN I CAN NO LONGER DEAL WITH THE  
23 SITUATION WHERE I'M NOT ONLY FIGHTING THE LEA, BUT AS  
24 WELL AS THE COUNTY WHEN BOTH THESE AGENCIES ARE WORKING  
25 TOGETHER AGAINST US FOR OBVIOUSLY NOT TO ATTAIN SOME



1 SORT OF HEALTH STANDARD, BUT JUST TO SHUT PACIFIC  
2 SOUTHWEST FARMS DOWN BECAUSE WE HAVE A DISPUTE AS FAR  
3 AS THE ZONING IS CONCERNED.  
4 BASED ON THAT, I DON'T THINK THAT THERE  
5 NEEDS TO BE A NEW HEARING ON THIS MATTER, BUT I THINK  
6 THAT, IF NEED BE, THERE NEEDS TO BE A REQUEST FOR  
7 SUBMITTAL OF NEW DOCUMENTATION, IF SO REQUIRED, WHY  
8 WE'RE NOT A SOLID WASTE FACILITY. AND THE BOARD  
9 SHOULD, BASED ON THAT, MAKE A WRITTEN FINDING.  
10 YOU HAVE ANY QUESTIONS?

11 CHAIRMAN PENNINGTON: QUESTIONS?

12 BOARD MEMBER GOTCH: MR. CHAIR, I HAVE A  
13 QUESTION.

14 CHAIRMAN PENNINGTON: YES, MS. GOTCH.

15 BOARD MEMBER GOTCH: MR. MEIJER, IN THE  
16 MEANTIME HOW MUCH MATERIAL HAS BEEN REMOVED FROM THE  
17 AREA?

18 MR. MEIJER: I MOVED A THOUSAND TONS OF  
19 CASTINGS THIS MONTH. THAT'S IT.

20 BOARD MEMBER GOTCH: THOUSAND TONS HAS BEEN  
21 REMOVED?

22 MR. MEIJER: YEAH, A THOUSAND TONS OF  
23 CASTINGS.

24 BOARD MEMBER GOTCH: THANK YOU.

25 CHAIRMAN PENNINGTON: MR. FRAZEE.



1 BOARD MEMBER FRAZEE: TO FOLLOW UP ON MS.  
2 GOTCH'S QUESTION, HAS ANY OF THE OTHER MATERIAL --  
3 MR. MEIJER: SIR, THE 6.4 ACRES IS SITTING  
4 THERE, AND I DIDN'T REALLY ADDRESS THAT BECAUSE I  
5 FEEL -- I MEAN THAT I ADDRESSED IN MY APPEAL. THAT  
6 MATERIAL AT THIS POINT IS SITTING THERE TILL THERE'S  
7 SOME FINAL RESOLUTION FROM THE LEA AS TO WHAT NEEDS TO  
8 HAPPEN.  
9 I'M SURE THAT THE WASTE HAULERS WHO ARE  
10 WITHHOLDING SIGNIFICANT AMOUNTS OF FUNDS AND OURSELVES  
11 WILL COME UP WITH A PLAN THAT WILL BE ACCEPTABLE TO  
12 EVERYBODY. THERE HAS TO BE A FINAL RESOLUTION. I  
13 CAN'T LIVE LIKE THIS.  
14 BOARD MEMBER FRAZEE: I THINK PERHAPS MR.  
15 BLOCK CAN ANSWER THIS NEXT QUESTION. MR. MEIJER HAS  
16 THOROUGHLY CONFUSED ME WITH DATES OF THIS ACTION,  
17 STATING THAT THIS NOTICE AND ORDER WAS TAKEN PRIOR TO  
18 THE TIME THAT WE HEARD THE OTHER.  
19 MR. BLOCK: I AM AWARE OF, AND I DON'T  
20 REMEMBER IF IT WAS ENTITLED A TENTATIVE NOTICE AND  
21 ORDER AT THE TIME, OF SOME OTHER DOCUMENTS THAT WERE  
22 SERVED ON MR. MEIJER THAT -- CONCURRENTLY WITH THE  
23 APPEAL THAT WAS GOING ON LAST YEAR, BUT THE NOTICE AND  
24 ORDER THAT WAS SERVED AND THAT HE HAS APPEALED TO THE  
25 HEARING PANEL WAS ONE THAT WAS SERVED IN SEPTEMBER OF



1 1997.

2 BOARD MEMBER FRAZEE: BECAUSE HE USED BOTH  
3 APRIL AND AUGUST DATES, AND THE STAFF REPORT INDICATES  
4 IN THE SUBJECT OF THIS AGENDA ITEM IS THE NOTICE AND  
5 ORDER THAT WAS ISSUED ON SEPTEMBER 12, 1997. ONLY  
6 THAT.

7 MR. BLOCK: RIGHT. AND THAT'S MY  
8 UNDERSTANDING. THAT'S MY UNDERSTANDING. AND THE  
9 COUNTY, OF COURSE, CAN SHED SOME LIGHT.

10 MR. MEIJER: I NEED TO CORRECT MYSELF. SIR,  
11 IT IS IN THE PACKAGE THAT I SENT YOU. EXHIBIT NO. 5  
12 INCLUDES THE NOTICE AND ORDERS DATED APRIL 17TH AND  
13 WHICH THEY MIGHT BE TENTATIVE, BUT I THINK THAT THAT'S  
14 STILL -- I MEAN I'M SORRY. THE SECOND ONE, YOU ARE  
15 RIGHT, ELLIOT. THAT IS, IN FACT, SEPTEMBER. I'M  
16 SORRY. I JUST READ THE WRONG DATE HERE.

17 MR. BLOCK: SO WHEN MR. MEIJER IS REFERRING TO  
18 EXHIBIT NO. 5, THERE WAS A LARGE AMOUNT OF MATERIAL  
19 THAT I SEPARATELY FORWARDED TO EACH OF YOUR OFFICES  
20 THAT WERE NOT MADE ATTACHMENTS TO THE ITEM BECAUSE  
21 THEY'RE SO VOLUMINOUS, SO WHEN HE REFERS TO EXHIBIT 5,  
22 HE MEANS THAT LARGER PACKET.

23 MY UNDERSTANDING IS THAT THE NOTICE AND  
24 ORDER THAT WAS APPEALED TO THE HEARING PANEL, WHICH IS  
25 THEN THE SUBJECT OF THIS APPEAL, THE ONE DATED



1 SEPTEMBER 1997 THAT IS IN EXHIBIT 2 IN YOUR AGENDA

2 ITEM. YOU JUST CONFIRMED THAT, CORRECT?

3 MR. MEIJER: YES, BUT THAT WAS AN OUTFLOWING  
4 OF THE ORDER THAT WAS ISSUED ON APRIL 17, 1997.

5 CHAIRMAN PENNINGTON: ADDITIONAL QUESTIONS OF  
6 MR. MEIJER? THANK YOU, MR. MEIJER. DOES THE LEA WANT  
7 TO MAKE A COMMENT?

8 MS. BENNETT: YES. THANK YOU, MR. CHAIR AND  
9 MEMBERS OF THE BOARD. THANK YOU VERY MUCH FOR MOVING  
10 OUR ITEM FORWARD. WE'RE VERY APPRECIATIVE. MY NAME IS  
11 PAM BENNETT, AND I'M HERE REPRESENTING THE SAN  
12 BERNARDINO COUNTY LEA. I HAVE JUST A FEW COMMENTS.  
13 I DO HAVE A NEW PROGRAM MANAGER THAT I  
14 WANT TO INTRODUCE TO THE BOARD. IT'S RICHARD SANCHEZ.  
15 HE'LL BE WORKING WITH THE LEA. JIM TRUJILLO IS STILL  
16 OUR SUPERVISOR.

17 STAFF HAS PROVIDED A REPORT ON THE ITEM  
18 BEFORE YOU, AND THE LEA SUPPORTS THE RECOMMENDATION TO  
19 DENY HEARING THE APPEAL. HOWEVER, WE WANTED TO  
20 EMPHASIZE JUST A COUPLE OF POINTS.

21 AS YOU'RE AWARE, THIS IS THE SECOND  
22 NOTICE AND ORDER ON THIS SITE. THE FIRST NOTICE AND  
23 ORDER WAS ISSUED FOR OPERATING A TRANSFER PROCESSING  
24 STATION WITHOUT A SOLID WASTE FACILITY PERMIT. THE  
25 OPERATOR WAS ORDERED TO PROCESS AND REMOVE ALL THE



1 MATERIAL BY DECEMBER 31, 1996. AFTER THAT NOTICE AND  
2 ORDER WAS ISSUED, THE OPERATOR CEASED PROCESSING, BUT  
3 FAILED TO REMOVE THE TRASH AND/OR MATERIAL.  
4 THE LEA DETERMINED THE SITE NOW  
5 CONSTITUTED AN ILLEGAL DISPOSAL SITE WITHOUT A SOLID  
6 WASTE FACILITY PERMIT. THE LEA DETERMINED, HOWEVER,  
7 THAT THE BEST COURSE OF ACTION WAS TO ALLOW THE FIRST  
8 NOTICE AND ORDER TO RUN ITS ADMINISTRATIVE PROCESS  
9 BEFORE PROCEEDING WITH THE SECOND NOTICE AND ORDER.  
10 THE ADMINISTRATIVE PROCESS ON THE FIRST  
11 NOTICE AND ORDER WAS FINALIZED IN JULY 1997. THE  
12 SECOND NOTICE AND ORDER ON THE ILLEGAL DISPOSAL SITE  
13 WAS THEN ISSUED SEPTEMBER 12, 1997. AND HE MAY BE  
14 CONFUSING SOME OF THE TENTATIVE NOTICE AND ORDERS WHICH  
15 ARE REQUIRED TO GO OUT TO OTHER AGENCIES, COME BACK  
16 WITH COMMENT EVEN FROM THE BOARD STAFF, AND THEN BE  
17 FINALIZED INTO A FINAL NOTICE AND ORDER, WHICH IS THE  
18 ONE THAT WAS ISSUED SEPTEMBER 12TH.  
19 THE INDEPENDENT HEARING PANEL UPHELD THE  
20 ORDER ON DECEMBER 2, 1997, FOR A CLEANUP DATE OF  
21 JANUARY 2, 1998. TO DATE THE MATERIAL CONSTITUTING A  
22 SOLID WASTE DISPOSAL SITE REQUIRING A SOLID WASTE  
23 FACILITY PERMIT HAS NOT BEEN REMOVED FROM THE  
24 PROPERTY.  
25 FOR THE HEARING, THE LEA BELIEVES THE



1 APPELLANT HAS NOT PROVIDED SUBSTANTIAL EVIDENCE THAT  
2 THE ACTION TAKEN BY THE LEA WAS INCONSISTENT WITH THE  
3 LAW. THEREFORE, AS I STATED PREVIOUSLY, THE LEA  
4 SUPPORTS STAFF RECOMMENDATION TO DENY THE APPEAL -- TO  
5 DENY HEARING THE APPEAL. ARE THERE ANY QUESTIONS?

6 CHAIRMAN PENNINGTON: ANY QUESTIONS? OKAY.  
7 IF NOT, I'LL ENTERTAIN A MOTION.

8 BOARD MEMBER JONES: MR. CHAIRMAN, I'LL MAKE A  
9 MOTION THAT WE DON'T HEAR THE APPEAL.

10 BOARD MEMBER CHESBRO: SECOND.

11 CHAIRMAN PENNINGTON: MOVED AND SECONDED TO  
12 ACCEPT THE STAFF RECOMMENDATION NOT TO HOLD THE  
13 HEARING. ANY FURTHER DISCUSSION? IF NOT, WILL THE  
14 SECRETARY CALL THE ROLL.

15 THE SECRETARY: BOARD MEMBER CHESBRO.

16 BOARD MEMBER CHESBRO: AYE.

17 THE SECRETARY: FRAZEE.

18 BOARD MEMBER FRAZEE: AYE.

19 THE SECRETARY: GOTCH.

20 BOARD MEMBER GOTCH: AYE.

21 THE SECRETARY: JONES.

22 BOARD MEMBER JONES: AYE.

23 THE SECRETARY: RELIS.

24 CHAIRMAN PENNINGTON: HE'S OUT OF THE ROOM AT  
25 THE MOMENT.



1 THE SECRETARY: CHAIRMAN PENNINGTON.

2 CHAIRMAN PENNINGTON: AYE. MOTION CARRIES.

3 OKAY. NEXT ITEM IS ITEM 12, WHICH IS THE

4 RPPC CONTAINER RATE. I DON'T KNOW WHETHER YOU WANT TO

5 TRY TO TAKE UP SOMETHING THAT SHOULD TAKE US LESS THAN

6 HALF AN HOUR AND THEN BREAK FOR LUNCH, OR DO YOU WANT

7 TO TAKE THIS UP NOW?

8 BOARD MEMBER GOTCH: I'D LIKE TO TAKE

9 SOMETHING ELSE FIRST.

10 MR. CHANDLER: I CAN TELL YOU THAT THE VENTURA

11 COUNTY ITEM PROBABLY WOULD BE VERY QUICK.

12 CHAIRMAN PENNINGTON: WITHOUT ANY OBJECTION,

13 WE'LL TAKE UP ITEM, I THINK IT'S, 23, VENTURA COUNTY.

14 ITEM 23, CONSIDERATION OF A COMPLIANCE SCHEDULE FOR

15 RESOLVING COMPLETENESS ISSUE FOR THE COUNTYWIDE SITING

16 ELEMENT AND SUMMARY PLAN FOR VENTURA COUNTY. JUDY

17 FRIEDMAN.

18 MS. FRIEDMAN: GOOD MORNING, CHAIRMAN

19 PENNINGTON AND BOARD MEMBERS. THIS ITEM WAS HEARD AT

20 THE SEPTEMBER PLANNING COMMITTEE MEETING AND WAS TO BE

21 FORWARDED TO THE BOARD FOR CONSIDERATION. CONSIDERA-

22 TION OF THIS MATTER WAS DELAYED SO THAT STAFF AND

23 COUNTY COULD EXPLORE AVENUES TO RESOLVE THE

24 COMPLETENESS ISSUES.

25 THIS ITEM PRESENTS THE RESULT OF OUR





1 DISCUSSIONS WITH VENTURA COUNTY, AND I WILL NOW TURN  
2 THIS ITEM OVER TO ELLIOT BLOCK, WHO WILL MAKE THE  
3 PRESENTATION FOR STAFF.

4 MR. BLOCK: GOOD MORNING AGAIN, CHAIRMAN AND  
5 BOARD MEMBERS. I'M ELLIOT BLOCK FROM THE LEGAL  
6 OFFICE.

7 IN 1995 VENTURA COUNTY SUBMITTED A  
8 COUNTYWIDE ELEMENT AND SUMMARY PLAN TO THE BOARD, AND  
9 IT WAS SUBMITTED WITH A NOTICE OF EXEMPTION RATHER THAN  
10 A NOTICE OF DETERMINATION AS REQUIRED BY THE BOARD'S  
11 REGULATIONS. THE COUNTY WAS THEN SUBSEQUENTLY NOTIFIED  
12 THAT ITS SUBMITTAL WAS INCOMPLETE.

13 AFTER NUMEROUS MEETINGS, CONVERSATIONS  
14 REGARDING THIS MATTER, THE COUNTY REQUESTED A HEARING  
15 BEFORE THE BOARD REGARDING THE STAFF'S DETERMINATION  
16 THAT THE SUBMITTAL WAS INCOMPLETE, AND THE COUNTY'S  
17 POSITION WAS THAT THE BOARD DID NOT HAVE THE AUTHORITY  
18 TO REQUIRE A NOTICE OF DETERMINATION IN ITS REGULA-  
19 TIONS.

20 THE LOCAL ASSISTANCE AND PLANNING  
21 COMMITTEE HEARD THIS MATTER IN SEPTEMBER AND VOTED TWO  
22 TO ONE TO NOT OVERTURN THE STAFF'S DETERMINATION. AND  
23 AT THE COUNTY'S REQUEST, HOWEVER, THIS ITEM DID NOT  
24 COME FORWARD TO THE BOARD THAT MONTH TO ALLOW  
25 ADDITIONAL DISCUSSIONS BETWEEN THE COUNTY STAFF AND



1 BOARD STAFF IN AN ATTEMPT TO RESOLVE THIS MATTER.  
2 BEFORE YOU TODAY IS JUST SUCH A  
3 RESOLUTION FOR YOUR CONSIDERATION. VENTURA COUNTY HAS  
4 SUBMITTED A PLAN FOR OBTAINING COMPLIANCE, AND A COPY  
5 OF THAT IS ATTACHMENT 2 TO YOUR AGENDA ITEM IN THE FORM  
6 OF A LETTER FROM THE CHAIRMAN OF THE BOARD OF SUPER-  
7 VISORS FOR VENTURA COUNTY.  
8 IN A NUTSHELL, THE PROPOSAL IS TO ALLOW  
9 THE COUNTY TO TAKE ADVANTAGE OF AN ANTICIPATED APPLICA-  
10 TION THAT'S COMING FROM THE SIMI VALLEY LANDFILL LATER  
11 THIS YEAR FOR AN EXPANSION THAT WOULD REQUIRE A  
12 REVISION TO THE SITING ELEMENT. AT THAT TIME THE  
13 COUNTY WILL PREPARE A NEGATIVE DECLARATION FOR THE  
14 ENTIRE SITING ELEMENT AND SUMMARY PLAN FOR CIRCULATION  
15 AND ADOPTION BY THE JURISDICTIONS WITHIN THE COUNTY AND  
16 THEN FOR SUBMITTAL TO THE BOARD.  
17 THIS WOULD BRING THE COUNTY'S DOCUMENTS  
18 INTO COMPLIANCE WITH THE BOARD'S REGULATIONS AND ALSO  
19 ALLOW THE COUNTY TO AVOID THE ADDITIONAL EXPENSE OF  
20 RECIRCULATING THIS SITING ELEMENT TWICE THIS YEAR.  
21 I'M GOING TO LET REPRESENTATIVE FROM THE  
22 COUNTY -- I BELIEVE BILL MORITZ, DEPUTY COUNTY COUNSEL,  
23 HAS A FEW WORDS TO SAY ABOUT THEIR PROPOSAL, AND THEN  
24 WE'LL FINISH UP WITH STAFF'S RECOMMENDATION.

25 MR. MORITZ: GOOD MORNING. I'M BILL MORITZ,



1 ASSISTANT COUNTY COUNSEL FOR THE COUNTY OF VENTURA.  
2 AND I JUST WANTED TO MAKE CLEAR WHAT WE ARE PROPOSING  
3 TO DO. WE PROPOSE TO REALLY RECIRCULATE A NEW DOCUMENT  
4 AND GET IT TO YOU AS SOON AS WE POSSIBLY CAN. THE  
5 PROBLEM IS THAT WE DO NOT CONTROL WHEN THE SIMI VALLEY  
6 LANDFILL APPLICATION WILL COME UP FOR A HEARING ON A  
7 LOCAL LEVEL.  
8 WE ANTICIPATE WHEN THE APPLICATION IS  
9 MADE, THAT IT WILL PROCEED FAIRLY QUICKLY, BUT THE  
10 PROBLEM WITH SETTLING A FIRM DATE ABOUT WHEN WE'LL BE  
11 DOING THAT IS WE DON'T CONTROL THAT PROCESS ENTIRELY.  
12 IT HAS TO GO THROUGH ENVIRONMENTAL REVIEW AND A VARIETY  
13 OF THINGS, BUT OUR GOAL IS GET A REVISED PLAN TO YOU  
14 FOR YOUR APPROVAL, HOPEFULLY, BY THE END OF THE YEAR.  
15 IT WOULD BE SOONER IF THAT APPLICATION COMES IN SOONER,  
16 MAYBE A LITTLE BIT LATER IF IT COMES IN LATER, BUT OUR  
17 OBJECTIVE IS TO GET THIS RESOLVED AS SOON AS WE CAN.  
18 AND WE THINK THIS IS A SENSIBLE AND  
19 EFFICIENT WAY TO RESOLVE WHAT COULD HAVE BEEN A DISPUTE  
20 BETWEEN US, AND WE ASK THAT YOU SUPPORT THIS BASIC  
21 APPROACH OF LETTING US APPLY THROUGH A REVISED PLAN FOR  
22 APPROVAL SOMETIME HOPEFULLY THIS YEAR AND MAYBE EVEN  
23 SOONER.

24 CHAIRMAN PENNINGTON: QUESTIONS?

25 BOARD MEMBER CHESBRO: WELL, SO YOU ARE



1 BASICALLY SAYING, THOUGH, THAT IT SHOULD BE OPEN-ENDED,  
2 THAT THERE SHOULD BE NO REQUIRED DATE OF COMPLIANCE?

3 MR. MORITZ: WELL, WE'RE ANTICIPATING THAT THE  
4 APPLICATION FOR THE EXTENSION ON THE SIMI VALLEY  
5 LANDFILL WILL COME IN FAIRLY SOON. I CAN'T CONTROL  
6 WHEN THEY'LL FILE THAT APPLICATION. WE'RE HOPEFUL THAT  
7 WE'LL BE ABLE TO GET IT DONE BY THE END OF 1998. BUT  
8 BECAUSE I DON'T KNOW WHEN THAT APPLICATION WILL BE IN  
9 AND WE HAVE TO SCHEDULE ALL THE ENVIRONMENTAL REVIEW  
10 ASSOCIATED WITH THAT, I CAN'T GIVE YOU AN ABSOLUTE FIRM  
11 DATE ON THAT.

12 BOARD MEMBER CHESBRO: THIS REMINDS ME A  
13 LITTLE BIT OF THE COMPLIANCE ISSUES WE WERE DISCUSSING  
14 EARLIER. NINETY-EIGHT OR 99 PERCENT OF THE COUNTIES IN  
15 THE STATE HAVE SUBMITTED THESE DOCUMENTS AND COMPLIED  
16 WITH CEQA. AND WE -- I THINK THE STAFF HERE IS DOING  
17 WHAT THEY'VE DONE SO WELL, WE TALKED ABOUT EARLIER, OF  
18 PARTNERING, TRYING TO COME UP WITH SOLUTIONS. BUT I  
19 THINK THIS IS THE EQUIVALENCE OF A COMPLIANCE SCHEDULE,  
20 IF YOU WILL, OR AN EXTENSION OR SOME ADDITIONAL TIME IN  
21 ORDER TO FIND A WAY TO RESOLVE THE CONFLICT, BUT I  
22 CAN'T SEE LEAVING IT OPEN-ENDED. I CAN'T SEE NOT  
23 HAVING SOME SORT OF A DATE BY WHICH WE NEED TO HAVE  
24 THIS -- THE ISSUE RESOLVED.  
25 AND I UNDERSTAND THAT IT'S NOT COMPLETELY



1 UNDER YOUR CONTROL, BUT I THINK THAT THE BASIS ON WHICH  
2 WE'RE AGREEING -- WE WOULD BE AGREEING TO THIS APPROACH  
3 IS ON THE ASSUMPTION THAT IT WOULD BE DONE BY A CERTAIN  
4 DATE. AND IF IT'S NOT, THEN I THINK WE WIND UP BACK  
5 WHERE WE WERE. AND SO I DO THINK THERE NEEDS TO BE A  
6 DATE CERTAIN MYSELF.

7 MR. BLOCK: IF I MAY, JUST TO CLARIFY WHAT OUR  
8 UNDERSTANDING IS, AND AS YOU KNOW FROM THE AGENDA ITEM,  
9 WE WERE RECOMMENDING ACCEPTANCE OF THIS PLAN, OUR  
10 UNDERSTANDING OF THIS PLAN WAS THAT THE COUNTY, IN  
11 ESSENCE, WAS COMMITTING TO SUBMIT THIS DOCUMENT BY THE  
12 END OF 1998, BUT THAT THEY WANTED THE OPPORTUNITY,  
13 SHOULD EVENTS BEYOND THEIR CONTROL REGARDING THE SIMI  
14 VALLEY APPLICATION COME INTO PLAY, TO COME BACK TO THIS  
15 BOARD AND ASK FOR ADDITIONAL TIME.

16 BOARD MEMBER CHESBRO: I WOULD ENTERTAIN IT AT  
17 THAT TIME, BUT I THINK WE SHOULD PUT A DATE IN OUR  
18 ACTION TODAY.

19 CHAIRMAN PENNINGTON: I TEND TO AGREE WITH MR.  
20 CHESBRO. WE'RE JUST SAYING HERE, WELL, BY 199- -- AT  
21 THE END OF 1998, AND THEN WE ALSO GO ON TO SAY THAT OR  
22 YOU GO ON TO SAY THAT IF ADDITIONAL TIME IS NECESSARY,  
23 THAT WE'LL GRANT YOU THAT TIME. YOU KNOW, I THINK WE  
24 SHOULDN'T BE SAYING WE'RE GOING TO GRANT YOU THAT TIME  
25 AT LEAST UNTIL WE HEAR WHAT THE REASON FOR THE DELAY



1 Is.

2 MR. MORITZ: WELL, THE ONLY REASON THAT

3 LANGUAGE IS IN THERE IS BECAUSE OF THE POTENTIAL DELAYS

4 THAT COULD OCCUR WITH THE SIMI VALLEY LANDFILL PERMIT

5 APPLICATION. AND ALL THAT'S THERE IS TO GIVE US SOME

6 ASSURANCE, EVEN IF WE COULD END UP IN A DISPUTE AT THAT

7 TIME IF YOU THOUGHT WE WERE ABUSING THAT LANGUAGE, GIVE

8 US SOME ASSURANCE THAT YOU WERE PREPARED TO HONOR A

9 REQUEST FOR AN EXTENSION IF IT CAN BE SHOWN, AND I

10 THINK IT WOULD BE SHOWN AT THAT TIME, THAT IT MAKES

11 SENSE IN CONNECTION WITH THE SIMI VALLEY LANDFILL. THE

12 WHOLE IDEA HERE WAS TO ALLOW IT TO PHASE IN WITH THE

13 SIMI VALLEY LANDFILL.

14 I'D LIKE TO POINT OUT ONE OTHER THING

15 THAT I HOPE YOU FOLKS UNDERSTAND IS THAT WE HAD A

16 LEGITIMATE DISAGREEMENT OF OPINION. I DON'T WANT TO

17 PREJUDGE THE ISSUES ON EITHER SIDE HERE, BUT THERE IS A

18 LEGITIMATE ISSUE OF DIFFERENCE OF OPINION HERE. AND

19 THE WHOLE REASON WE CAME UP WITH THIS APPROACH WAS TO

20 TRY TO AVOID HAVING TO GO TO BLOWS ON THAT. WE DON'T

21 WANT TO DO THAT. WE'D LIKE TO COOPERATE WITH YOU. WE

22 ARE IMPLEMENTING ALL OF THE APPROVED PLANS THAT DEAL

23 WITH OUR RECYCLING AND EVERYTHING. THERE ISN'T AN

24 ISSUE WITH REGARD TO ANY OF THAT.

25 AND THIS APPROACH IS INTENDED TO TRY TO



1 GET PAST THESE DIFFERENCES WE'VE HAD IN THE PAST AND  
2 GET ON WITH IT. AND OUR ONLY NEED IS TO HAVE SOME  
3 UNDERSTANDING THAT IF THE SIMI VALLEY EXTENSION IS  
4 DELAYED, WE WOULD HAVE SOME CONSIDERATION FROM YOU TO  
5 ALLOW US MORE TIME TO GET OUR REVISED SITING ELEMENT.  
6 WE CAN'T DO IT WITHOUT THAT PROJECT BEING FAR ENOUGH  
7 ALONG WHERE WE KNOW WE'RE THERE AND CAN THEREFORE  
8 PREPARE A REVISED SITING ELEMENT THAT REFLECTS THAT.

9 BOARD MEMBER CHESBRO: MR. CHAIRMAN, WE HAVE  
10 TO DEAL WITH ISSUES OF FAIRNESS AND CONSISTENCY IN HOW  
11 WE TREAT LOCAL JURISDICTIONS, THOUGH. AND WHEN EVERY  
12 OTHER COUNTY IN THE STATE HAS BEEN TOLD THIS IS THE  
13 STANDARD, AND WITH THE EXCEPTION OF THE ONES WE WERE  
14 TALKING ABOUT EARLIER, ALL THE REST OF THEM ARE IN  
15 COMPLIANCE, I THINK THERE'S A REAL CONCERN.  
16 NOW, I'M WILLING TO SHOW FLEXIBILITY  
17 ABOUT WHEN AND HOW, BUT I THINK, YOU KNOW, THERE'S A  
18 FAIRNESS QUESTION.

19 CHAIRMAN PENNINGTON: I AGREE. I THINK  
20 THAT -- I DON'T MIND TO SAY, FINE, WE WOULD BE WILLING  
21 TO ENTERTAIN AN EXTENSION IF IT'S NEEDED, BUT I'M  
22 CERTAINLY NOT PREPARED TO SAY WE WOULD GRANT IT AT THIS  
23 POINT. AND JUST TO LEAVE IT OPEN-ENDED SOMETIME IN  
24 LATE 1998, I'D LIKE TO HAVE A LITTLE MORE DEFINITION TO  
25 THAT. I MEAN WOULD YOU BE WILLING TO SAY IT WOULD BE



1 BY DECEMBER 31, 1998?

2 MR. MORITZ: WE WERE ALWAYS PREPARED TO REPORT  
3 BACK TO YOU ABOUT WHERE WE STOOD IF WE DIDN'T HAVE A  
4 PLAN THERE FOR YOU AT THAT POINT IN TIME. THAT'S NOT  
5 AN ISSUE. I'VE ALWAYS EXPECTED WE WOULD BE IN  
6 COMMUNICATION WITH YOU IF WE COULDN'T GET IT DONE BY  
7 THAT TIME. IT'S JUST THAT I'M WORKING ON THE OTHER END  
8 TRYING TO GET THE COOPERATION FROM THE OTHER END TO GO  
9 AHEAD WITH THIS AS SOON AS WE CAN, AND I WANT TO PUSH  
10 IT ALONG AS SOON AS I CAN.  
11 I CAN'T SIT HERE AND WARRANT TO YOU THAT  
12 I CAN HAVE THAT PLAN HERE TO YOU ON DECEMBER 31, 1998,  
13 AND THAT'S THE REASON WHY THAT LANGUAGE IS IN THERE  
14 EVEN THOUGH IT'S OUR OBJECTIVE TO GET IT DONE AS SOON  
15 AS WE CAN.

16 BOARD MEMBER FRAZEE: MR. CHAIRMAN, THE LETTER  
17 FROM THE CHAIRPERSON OF THE BOARD OF SUPERVISORS IS  
18 CONTRADICTORY IN ITS STATEMENT. IT INDICATES THAT THEY  
19 HOPE TO HAVE THIS BY LATE 1998, BUT THEN GO ON TO SAY,  
20 "WE UNDERSTAND FROM DISCUSSIONS WITH YOUR STAFF THAT  
21 THE COUNTY MAY REQUEST AND OBTAIN ADDITIONAL TIME." I  
22 DON'T SEE WHAT'S WRONG WITH SETTING A DATE OF DECEMBER  
23 31ST, 1998, AND COME BACK AND REQUEST TIME IF IT'S --  
24 WITHOUT ANY GUARANTEE THAT IT'S GOING TO BE GRANTED,  
25 BUT REQUESTING TIME. YOU KNOW, THAT SEEMS TO BE THE





1 UNDERSTANDING WITH THE BOARD, THAT THEY CAN REQUEST.

2 MR. BLOCK: THAT WAS OUR UNDERSTANDING WHAT

3 THIS DOCUMENT, IN FACT, WAS REPRESENTING, THAT, IN

4 ESSENCE, THE COMPLIANCE CALLED FOR THIS DOCUMENT TO BE

5 HERE BY THE END OF 1998, DECEMBER 31, 1998. AND THE

6 COUNTY, IN A SENSE, IT'S UNFORTUNATE OR IT'S IRONIC

7 BECAUSE IN A SENSE THEY'RE TRYING TO BE VERY UPFRONT

8 AND HONEST AT THIS STAGE AND SAY, BUT WE KNOW THAT

9 THERE ARE SOME PROBLEMS WITH THIS POTENTIAL SCHEDULE,

10 AND THEY'RE IDENTIFYING THEM IN ADVANCE. WE HAVE HAD

11 IN THE PAST JURISDICTIONS WITH COMPLIANCE SCHEDULES ON

12 THE SRRE'S AND NDFE'S WHO JUST GAVE US A DATE, DIDN'T

13 INDICATE THAT THERE WERE SOME OTHER THINGS THAT MIGHT

14 CHANGE THOSE DATES. AND OUR COURSE, AS YOU ARE AWARE

15 FROM THE OTHER AGENDA ITEMS WE'VE BEEN DEALING WITH,

16 HAVE ALLOWED THOSE JURISDICTIONS ADDITIONAL TIME

17 BECAUSE OF LOCAL ISSUES THAT HAVE DELAYED THAT PROCESS.

18 AND SO I'M NOT SURE IF MR. MORITZ WANTS

19 TO TALK ABOUT CHANGING THE WORDING SLIGHTLY OUR

20 UNDERSTANDING, AND THAT'S WHY OUR RECOMMENDATION WAS TO

21 SUPPORT THIS WAS THAT THIS DOCUMENT MEANT DECEMBER 31,

22 1998, AS THE DATE BY WHICH THE PLAN WOULD BE

23 RESUBMITTED AND WITH THE IDEA THAT, AS WITH ANY

24 JURISDICTION, THEY MIGHT COME IN AND ASK FOR ADDITIONAL

25 TIME IF NECESSARY.



1 BOARD MEMBER FRAZEE: HOWEVER, THAT DATE DOES  
2 NOT APPEAR IN THE RESOLUTION.

3 MR. BLOCK: THAT IS CORRECT. SO I GUESS I'D  
4 HAVE TO TURN TO MR. MORITZ AND ASK IF HE'S WILLING TO  
5 DO THAT.

6 MR. MORITZ: WELL, I CAN'T CONTROL HOW YOU  
7 WRITE YOUR OWN RESOLUTION. I JUST WANT YOU TO KNOW  
8 THAT WE'RE COMMITTED TO GET IT DONE AS SOON AS WE CAN.  
9 HOPEFULLY IT WILL BE BY THAT TIME. THAT'S OUR  
10 OBJECTIVE.

11 I WANT YOU TO KNOW IN ADVANCE WE ARE  
12 ANTICIPATING A POTENTIAL PROBLEM WITH THAT OTHER  
13 MATTER, AND I FEEL DULY -- I MEAN I'M JUST TRYING TO BE  
14 UP FRONT, AS ELLIOT IS POINTING OUT, WITH YOU. AND HOW  
15 YOU CHOOSE TO WRITE YOUR RESOLUTION, I GUESS, IS FOR  
16 YOU FOLKS TO DECIDE WHAT YOU'D LIKE TO DO. WE  
17 CERTAINLY WOULD LIKE, IF YOU POSSIBLY COULD, TO  
18 ACKNOWLEDGE THAT THERE COULD POTENTIALLY BE REASONS,  
19 AND MAYBE IT COULD BE REWORDED TO SAY THAT IN THE EVENT  
20 THAT THERE ARE PROBLEMS WITH THE SIMI VALLEY LANDFILL,  
21 YOUR BOARD WILL ENTERTAIN A REQUEST FOR CONTINUANCE  
22 FROM US AT THAT TIME. I DON'T HAVE ANY PROBLEM WITH  
23 THAT. THAT'S WHAT I WOULD HAVE ANTICIPATED AS A  
24 PRACTICAL MATTER HAPPENING ANYWAY.

25 CHAIRMAN PENNINGTON: MR. JONES.



1 BOARD MEMBER JONES: THE PROCESS OF GOING  
2 THROUGH THIS ENVIRONMENTAL DOCUMENT, I MEAN I AGREE  
3 WITH MR. CHESBRO AND THE CHAIRMAN AND THE OTHERS ON THE  
4 BOARD HERE. I THINK WE DO NEED TO HAVE A DATE.  
5 I THINK THAT AS PART OF THE PROCESS THAT  
6 YOU ARE GOING TO BE GOING THROUGH, THE CIRCULATION  
7 PROCESS, WHEN YOU GET TO THE END OF 1998, YOU ARE GOING  
8 TO HAVE A CERTAIN AMOUNT OF BUSINESS DONE, I AM  
9 ASSUMING.

10 MR. MORITZ: MORE INFORMATION AT LEAST.

11 BOARD MEMBER JONES: I THINK AT THAT TIME YOU  
12 COME FORWARD AND SAY, "WE DON'T HAVE THE PROCESS," OR,  
13 "WE'RE HERE. THIS IS GOING TO TAKE ANOTHER 60 DAYS  
14 JUST TO GO THROUGH THE REGULATORY THING." I THINK THAT  
15 GIVES THIS BOARD A REAL OPPORTUNITY, BUT JUST TO LEAVE  
16 IT OPEN-ENDED, I AGREE WITH MR. CHESBRO, COULD BE, YOU  
17 KNOW, IN NOVEMBER -- IN DECEMBER OF '98 YOU START THE  
18 PROCESS. THAT'S NOT WHAT THIS BOARD, YOU KNOW, WANTS  
19 TO BE ABLE TO SEE. SO I MEAN I WOULD HAVE NO PROBLEM  
20 WITH PUTTING A DATE OF THE 31ST AND THEN TRY TO GET IT  
21 IN.

22 MR. MORITZ: CAN WE AT LEAST HAVE SOME --  
23 MAYBE SOME LANGUAGE IN THE RESOLUTION THAT REFLECTS THE  
24 FACT THAT WE MIGHT NEED TO COME BEFORE YOU AND WOULD  
25 MAKE AN APPLICATION FOR FURTHER EXTENSION IF WE NEED IT



1 AT THAT TIME?

2 BOARD MEMBER FRAZEE: I THINK THAT'S A GIVEN.

3 CHAIRMAN PENNINGTON: WHATEVER THE BOARD'S

4 DESIRE, BUT I DON'T MIND IT SAYING YOU CAN COME BACK

5 BECAUSE YOU CAN COME BACK ANYWAY.

6 BOARD MEMBER CHESBRO: MR. CHAIRMAN, I WOULD

7 MOVE THE RESOLUTION WITH A SPECIFIC DATE OF THE LAST

8 DAY OF DECEMBER OF 1998 AND LEAVE THE QUESTION OF

9 ASKING FOR AN EXTENSION TO OUR VERBAL COMMENTS HERE.

10 YOU CAN GO BACK -- THIS IS NOT PART OF

11 THE MOTION -- GO BACK AND REASSURE YOUR SUPERVISORS

12 THAT YOU'VE HEARD FROM ALL THE MEMBERS OF THE BOARD

13 THAT THEY WOULD CONSIDER A REQUEST AT THAT TIME IF THE

14 COUNTY HAS BEEN UNABLE TO PROCEED.

15 BOARD MEMBER GOTCH: SECOND.

16 CHAIRMAN PENNINGTON: IT'S BEEN MOVED AND

17 SECONDED. SO YOU ARE ADOPTING A RESOLUTION WITH A DATE

18 OF DECEMBER 31, 1998; IS THAT CORRECT? OKAY.

19 ANY FURTHER DISCUSSION? IF -- BEING

20 NONE, WILL THE SECRETARY CALL THE ROLL, PLEASE.

21 THE SECRETARY: BOARD MEMBER CHESBRO.

22 BOARD MEMBER CHESBRO: AYE.

23 THE SECRETARY: FRAZEE.

24 BOARD MEMBER FRAZEE: AYE.

25 THE SECRETARY: GOTCH.



1 BOARD MEMBER GOTCH: AYE.  
2 THE SECRETARY: JONES.  
3 BOARD MEMBER JONES: AYE.  
4 THE SECRETARY: RELIS.  
5 BOARD MEMBER RELIS: AYE.  
6 THE SECRETARY: CHAIRMAN PENNINGTON.  
7 CHAIRMAN PENNINGTON: AYE. MOTION CARRIES.  
8 BOARD MEMBER CHESBRO: I DO WANT -- WE HAD A  
9 LITTLE BIT LIKE A NEGATIVE SOUNDING TUSSELE THERE. I DO  
10 WANT TO COMMEND THE COUNTY AND THE STAFF FOR WORKING TO  
11 FIND A RESOLUTION TO THE ISSUE. I THINK BOTH DID A  
12 GOOD JOB.  
13 BOARD MEMBER JONES: YOU'RE RIGHT. THEY GOT  
14 THE EXTENSION. THEY GOT WHAT THEY WANTED. THEY JUST  
15 DIDN'T GET THE ONE PARAGRAPH.  
16 MR. CHANDLER: MR. CHAIRMAN AND MEMBERS, WITH  
17 THE LITTLE TIME WE HAVE BEFORE THE NOON HOUR, WE COULD  
18 POSSIBLY CONSIDER ITEM 17 WHICH WAS PULLED OFF YOUR  
19 CONSENT CALENDAR. I UNDERSTAND SOME OFFICIALS FROM THE  
20 CITY ARE HERE TO ADDRESS THAT ITEM.  
21 CHAIRMAN PENNINGTON: YES, VERY GOOD. ITEM  
22 NO. 17.  
23 BEFORE WE GET TO ITEM 17 THOUGH, JUST LET  
24 ME ASK A QUESTION HERE. I HAVE A SLIP FROM TOM HORTON,  
25 WHO WANTED TO SPEAK ON ITEM 16, WHICH WAS ON THE



1 CONSENT CALENDAR. IS THAT THE RIGHT AGENDA ITEM, MR.

2 HORTON?

3 MR. BEGLEY: HE LEFT A STATEMENT IN WRITING.

4 CHAIRMAN PENNINGTON: HE LEFT A STATEMENT.

5 VERY GOOD.

6 MOVING ON, THEN, TO ITEM 17, WHICH IS

7 CONSIDERATION OF NEW SITES FOR THE SOLID WASTE DISPOSAL

8 AND CODISPOSAL SITE CLEANUP PROGRAM AND WASTE TIRE

9 STABILIZATION AND ABATEMENT PROGRAM. DOROTHY RICE.

10 MS. RICE: THANK YOU, MR. CHAIRMAN AND

11 MEMBERS. GIVEN THAT THIS ITEM WAS ON THE CONSENT

12 CALENDAR, WOULD YOU LIKE A BRIEF STAFF PRESENTATION OR

13 SIMPLY TO ASK QUESTIONS ABOUT THE ISSUE THAT CAUSED IT

14 TO BE REMOVED FROM THE CONSENT CALENDAR?

15 CHAIRMAN PENNINGTON: MR. FRAZEE ASKED FOR IT

16 TO BE PULLED.

17 BOARD MEMBER FRAZEE: LET ME EXPRESS MY

18 CONCERN ON THIS ONE. FIRST OF ALL, THIS IS A SITE OF

19 ALL SITES. IT'S ONE THAT FITS THE CRITERIA PERFECTLY

20 FOR WHAT SHOULD BE DONE WITH THE 2136 PROGRAM AND THE

21 ORPHAN SITE CLEANUP.

22 AT THE TIME THAT WE HEARD THIS ITEM,

23 THERE WAS A DISCUSSION ABOUT COST RECOVERY. AND IT IS

24 A JOINT EFFORT BETWEEN THIS BOARD AND THE COUNTY OF

25 SACRAMENTO IN CLEANING UP THIS SITE. SUBSEQUENT TO



1 THAT, I'VE LEARNED THAT THERE IS NOT MUCH ENTHUSIASM ON  
2 THE PART OF STAFF OR US PURSUING CLEANUP EVEN THOUGH  
3 THE COUNTY WILL PURSUE -- ARE PURSUING REIMBURSEMENT  
4 FOR CLEANUP, BUT THAT THE COUNTY WILL ON THEIR BEHALF  
5 AND FOR THEIR FUNDS. AND THAT, IN VIEW OF SOME  
6 DISCUSSIONS THAT THIS BOARD HAS HAD ON THAT SUBJECT, I  
7 THOUGHT IT WAS APPROPRIATE THAT THE FULL BOARD HEAR  
8 THIS ITEM AND DISCUSS THAT PARTICULAR POINT.  
9 I, FOR ONE, THINK THERE'S SOMETHING  
10 UNFAIR ABOUT THE COUNTY BEING ABLE TO PURSUE COST  
11 RECOVERY AND US NOT. AND I FULLY RECOGNIZE THAT THIS  
12 IS ONE OF THOSE SITUATIONS WHERE THERE'S A QUESTION  
13 WHETHER THE VALUE OF THE PROPERTY CAN, CONSIDERING ALL  
14 OF THE HOOPS THAT WE HAVE TO JUMP THROUGH, CAN RECOVER  
15 ANYTHING FROM IT. BUT I THINK THERE'S STILL ROOM TO  
16 WORK WITH THE COUNTY FOR SOME SHARING OF THE COST  
17 RECOVERY AND NOT ALLOW THEM TO PURSUE COST RECOVERY AND  
18 US JUST TO PUT THE MONEY OUT AND LET IT GO AT THAT. SO  
19 THAT WAS THE REASON THAT I PULLED THE ITEM OFF AND  
20 WANTED TO DISCUSS IT FURTHER.

21 MS. TOBIAS: MR. CHAIR, IF YOU WILL, I WAS THE  
22 PERSON AT THE PERMITTING AND ENFORCEMENT MEETING WHO  
23 SAID THAT I COULD CHECK WITH THE COUNTY AND SEE WHAT  
24 THE STATUS WAS ON WORKING OUT SOMETHING, AND I  
25 FORWARDED THE INFORMATION TO MR. FRAZEE AND THAT'S WHY



1 THE ITEM WAS PULLED.  
2 LET ME INDICATE WHAT MY KNOWLEDGE IS OF  
3 THE SITUATION WITH THE COUNTY, AND THEN CERTAINLY THE  
4 COUNTY CAN EITHER CORRECT ME OR SPEAK TO THE ISSUES.  
5 IT'S MY UNDERSTANDING FROM TALKING TO COUNTY COUNSEL  
6 THAT THE COUNTY HAS ALREADY PURSUED THE -- THEIR  
7 ACTIONS UNDER THE NUISANCE STATUTES, AND THAT THEY ARE  
8 IN THE PROCESS AT THIS POINT AND ALMOST COMPLETED OF  
9 PUTTING LIENS ON THIS PROPERTY TO PAY FOR THEIR SHARE  
10 OF THE CLEANUP.  
11 50 ALTHOUGH THAT DOESN'T NECESSARILY MEAN  
12 THAT WE COULD NOT PURSUE COST RECOVERY IN THIS CASE,  
13 GIVEN THE LOCATION AND THE TYPE OF PROPERTY THAT THIS  
14 IS, IF THE PROPERTY HAS LIENS ON IT THAT COVER -- THAT  
15 ALREADY TAKE UP MOST OF THE VALUE OF THE PROPERTY,  
16 THERE'S NOT GOING TO BE MUCH MONEY LEFT FOR US TO GO  
17 AFTER.  
18 THESE ARE NOT SITUATIONS WHERE THESE  
19 PEOPLE HAVE A LOT OF ASSETS AND/OR THAT THE PROPERTY  
20 HAS VALUE ABOVE AND BEYOND WHAT'S GOING TO BE LIENED  
21 ON TOP OF THAT. SO I THINK THIS IS A SITUATION WHERE  
22 WE HAVE ENCOURAGED THE COUNTIES TO GO AHEAD WITH THEIR  
23 ABILITY TO LIEN PROPERTY. THEY HAVE A BETTER ABILITY,  
24 IF YOU WILL, THAN WE DO TO DO THAT. AND I THINK IN  
25 THIS PARTICULAR SITUATION IT'S JUST -- THERE'S JUST NOT





1 A LOT OF VALUE.  
2 IN THE PREVIOUS SITUATION WE DEALT WITH,  
3 WE WERE A LITTLE EARLIER IN THE PROCESS AND THE  
4 PROPERTY HAD A GREATER VALUE. AS I RECALL, IT WAS AN  
5 INDUSTRIAL PIECE OF PROPERTY IN THE CITY AND COUNTY OF  
6 SAN FRANCISCO. SO THERE WERE JUST MORE ASSETS THERE.  
7 IF THE COUNTY WOULD LIKE TO ADD TO THIS AND EITHER  
8 CORRECT ME OR SAY WHATEVER.

9 MR. O'FARRELL: JOHN O'FARRELL, SACRAMENTO  
10 COUNTY. ESSENTIALLY WHAT COUNSEL SAYS IS CORRECT. I  
11 DO WANT TO REITERATE FOR THE RECORD THAT WE DO CONTINUE  
12 TO PERCEIVE THIS TO BE A PARTNERSHIP BETWEEN THE STATE  
13 AND SACRAMENTO COUNTY. AS I INDICATED TO YOU WHEN I  
14 SPOKE TO YOU ON THE 15T1, WE ARE STILL PLANNING ON  
15 MOVING AHEAD WITH AN ASSESSMENT OF THE TOXICS ON SITE.  
16 WE HAVE FIXED VALUE ON WHAT THAT WORK IS GOING TO COST.  
17 WE'RE PREPARED TO DO THAT. WE'RE PREPARED TO REMEDIATE  
18 THE TOXIC PROBLEM. WE'RE ALSO PREPARED TO TAKE  
19 WHATEVER ACTION WE NEED TO AFTER THE FACT, AFTER THE  
20 PROPERTY IS CLEANED UP, TO ASSURE THAT THIS WON'T  
21 HAPPEN AGAIN THROUGH SOME ONGOING SURVEILLANCE AND SOME  
22 MONITORING TO SOME PHYSICAL IMPROVEMENTS TO THE  
23 PROPERTY TO THE DEGREE WE CAN DO THAT UNDER OUR LEGAL  
24 AUTHORITY.  
25 WITH RESPECT TO LIENING THE PROPERTY,



1 YES, WE ARE GOING THROUGH THE PROCESS AND DOING THAT  
2 NOW, BUT IT'S ALSO MY UNDERSTANDING THAT THE STATE CAN  
3 DO THAT AS WELL. AND CERTAINLY OUR LEGAL STAFF -- AND  
4 I HAVE SOMEONE HERE FROM COUNTY COUNSEL'S OFFICE, MS.  
5 MCELHERN. THEY WOULD WORK WITH YOUR LEGAL STAFF TO THE  
6 DEGREE WE CAN TO FACILITATE THAT PROCESS FOR YOU. BUT  
7 WE ARE PURSUING THE LIENS INDEPENDENTLY. AS I  
8 UNDERSTAND IT, THAT'S WHAT WE HAVE TO DO UNDER THE LAW.

9 BOARD MEMBER FRAZEE: THE QUESTION GOES A BIT  
10 DEEPER THAN THIS ALSO. IN MY MIND THE STRUCTURE OF  
11 THIS CLEANUP PROGRAM, AND AS I UNDERSTAND THE 2136  
12 PROGRAM, THERE'S SEVERAL WAYS THAT IT CAN OPERATE. IN  
13 THIS CASE THE COUNTY AND THE BOARD ARE PURSUING THEIR  
14 ACTIONS INDEPENDENTLY. THERE'S ALSO A PROCESS WHERE WE  
15 CAN GRANT THE MONEY TO THE COUNTY OR LOAN THE MONEY TO  
16 THE COUNTY OR VARIOUS OTHER MECHANISMS. AND THAT ONE,  
17 YOU KNOW, THAT KIND OF A SITUATION MAY HAVE BEEN BETTER  
18 IN THIS CIRCUMSTANCE.  
19 I DON'T THINK THAT THE DUAL LIENING OF  
20 THIS PROPERTY, AS YOU STATE, IS GOING TO ACCOMPLISH  
21 ANYTHING. AND IT GOES, AS I SAY, TO THAT DEEPER  
22 QUESTION OF HOW WE STRUCTURED THE CLEANUP IN THE FIRST  
23 PLACE. BUT THE -- I'LL LET IT REST WITH THAT.  
24 THE PROCESS, THE COUNTY'S PROCESS, AND,  
25 YOU KNOW, THIS IS SOMETHING I'VE HARPED ON SINCE I'VE



1 BEEN HERE, AND I THINK THAT THE GENTLEMAN FROM THE  
2 COUNTY STATED CLEARLY THAT THEIR PROCESS IS MUCH EASIER  
3 THAN OURS. THE ABILITY OF THE LOCAL GOVERNMENT TO LIEN  
4 A PIECE OF PROPERTY IS A MUCH EASIER PROCESS THAN OURS  
5 IS, AND THAT'S WHY I'VE ALWAYS THOUGHT THAT WE SHOULD  
6 BE STRUCTURING THE LOAN OR THE CLEANUP GOING IN TO LET  
7 THE MONEY FLOW TO THE LOCAL JURISDICTION AND LET THEM  
8 DO THE CLEANUP AS A WHOLE RATHER THAN US DOING IT.  
9 WE'RE ALREADY SO FAR INTO THIS ONE, AND I  
10 KNOW THAT THERE WAS SOME STRONG FEELINGS ON THE BOARD  
11 ABOUT COST RECOVERY IN THIS THING, SO THAT'S THE REASON  
12 I WANTED TO BRING IT TO YOUR ATTENTION.

13 MS. TOBIAS: LET ME JUST ADD TO THAT THAT, YOU  
14 KNOW, WE CAN CERTAINLY CONTINUE TO WORK WITH THE  
15 COUNTY, AND WE CAN ALSO PURSUE THESE PARTIES. I THINK  
16 THAT THE REASON THAT I INFORMED MR. FRAZEE THAT WE  
17 NEEDED TO TALK ABOUT THIS TODAY IS THAT I WANTED TO LET  
18 YOU KNOW THAT IT IS QUESTIONABLE. SO I DON'T THINK --  
19 I'M NOT NECESSARILY SAYING THAT I THINK THERE'S NO  
20 POSSIBILITY AT THIS TIME, BUT I THINK IT DOES GO TO THE  
21 KINDS OF ISSUES HE'S TALKING ABOUT IN TERMS OF, YOU  
22 KNOW, IS IT PROPER TO GIVE A GRANT OR SHOULD IT BE A  
23 LOAN.  
24 I DON'T KNOW WHETHER THE COUNTY HAS THE  
25 FIGURES AT THEIR FINGERTIPS IN TERMS OF WHAT THE VALUE



1 OF THE PROPERTY IS COMPARED TO THE AMOUNT OF MONEY THAT  
2 THEY'RE PUTTING INTO THE CLEANUP AT THIS POINT. AS I  
3 SAY, WE COULD CERTAINLY CONTINUE TO WORK WITH THEM IF  
4 THAT'S THE INTEREST OF THE BOARD OR IF THE BOARD WANTS  
5 TO LOOK AT A DIFFERENT KIND OF DEVICE, THEN CERTAINLY  
6 THIS ITEM COULD BE BROUGHT BACK.

7 BOARD MEMBER FRAZEE: I, FOR ONE MEMBER OF THE  
8 BOARD, WOULD LIKE TO SEE STAFF CONTINUE TO WORK WITH  
9 THE COUNTY AND SEE IF WE CAN'T REACH SOME ACCOMMODATION  
10 FOR SHARING OF COST RECOVERY ON THIS. AND THAT'S  
11 INDICATING THAT I DON'T HAVE GREAT ENTHUSIASM FOR US  
12 PURSUING IT INDEPENDENT, SINCE THEY'RE ALREADY FILING  
13 LIENS, FOR US TO FOLLOW UP AND FILE LIENS THAT WOULD  
14 DIMINISH ANY CHANCE OF RECOVERY. SO IN THIS  
15 CIRCUMSTANCE I THINK THAT JUST WORKING WITH THEM AND  
16 SEE IF WE CAN'T WORK OUT SOME KIND OF A SHARE OF THE  
17 RECOVERY.

18 I HAVE PERHAPS MAYBE AN INFLATED VIEW OF  
19 WHAT THIS PROPERTY IS WORTH VERSUS THE CLEANUP COST,  
20 BUT IN MY TOURING OF IT, IT LOOKS LIKE IT HAS SOME  
21 FAIRLY SIGNIFICANT POTENTIAL. AND THERE ARE NUMEROUS  
22 INDUSTRIAL USES, BUT THERE ARE ALSO SOME FAIRLY NICE  
23 HOMES IN THE CLOSE PROXIMITY TO THIS SITE. SO IT'S NOT  
24 YOUR WAY OUT IN THE COUNTRY, VALUELESS PROPERTY. IT  
25 HAS SOME VALUE TO IT.



1 CHAIRMAN PENNINGTON: OKAY.

2 BOARD MEMBER JONES: MAY I ASK A QUESTION? I

3 WENT OUT AND TOURED THE SITE THE OTHER DAY TOO. AND I

4 WAS KIND OF STRUCK BY THE IDEA THAT THERE WERE SOME

5 PRETTY BIG HOMES ON THAT ROAD JUST COMING INTO THAT

6 PROPERTY THAT KIND OF BEGGED THE QUESTION AS TO WHY

7 WOULD YOU BUILD THAT HOUSE RIGHT THERE, BUT SOMEBODY

8 DID.

9 HOW -- YOU KNOW, WOULD THE COUNTY -- I

10 MEAN THIS SITE NEEDS TO BE CLEANED UP, ALTHOUGH ONE OF

11 THE SITES LOOKED LIKE A C&D SITE TO ME. I MEAN I GOT

12 TO TELL YOU IT LOOKED LIKE A C&D LANDFILL TO ME BECAUSE

13 OF THE WAY THAT THE CONCRETE WAS LAID OUT. IT WAS LAID

14 OUT -- IT HAD BEEN DELIVERED BY TRUCK AND JUST LAID OUT

15 IN A WAY THAT THERE WAS DEFINITELY A FILL PATTERN TO

16 HOW THEY -- HOW THAT STUFF GOT THERE. SO THAT JUST MAY

17 HAVE BEEN ONE OF THE FACILITIES AT ONE TIME OR LONG

18 TIME AGO, WHATEVER. BUT HOW -- YOU KNOW, IS THERE A

19 MECHANISM THAT WE -- BECAUSE I SHARE MR. FRAZEE'S

20 CONCERN.

21 I HAVE TWO THINGS I'M WORRIED ABOUT ON

22 THAT SITE. I'M WORRIED THAT, NO. 1, WE'RE GOING TO BE

23 SPENDING DOLLARS OF TAXPAYERS THAT AREN'T GOING TO BE

24 ABLE TO BE RECOVERED, AND YOU HAVE THE SAME OBLIGATION

25 AND THE SAME THING. SO IT WOULD SEEM TO ME THAT WE



1 SHOULD TO BE ABLE TO WORK SOMETHING TOGETHER THAT WE  
2 CAN BOTH BE ABLE TO APPEASE OUR CONCERNS.  
3 THE OTHER IS THROUGH THE PROCESS CAN WE  
4 HEIGHTEN SURVEILLANCE IN THAT TERRITORY, IN THAT AREA?

5 MR. O'FARRELL: WE'RE PLANNING ON DOING THAT  
6 NOW. WITH RESPECT TO YOUR FIRST QUESTION, IF THERE'S A  
7 WAY THAT WE CAN LEGALLY SHARE COSTS, WE ARE MORE THAN  
8 HAPPY TO WORK WITH COUNSEL AND YOUR STAFF TO  
9 ACCOMMODATE THOSE KINDS OF ISSUES.

10 FOR THE RECORD, WHAT THE COUNTY IS  
11 LOOKING AT ACTUALLY IS WE HAVE OTHER SITES LIKE THIS  
12 THROUGHOUT THE UNINCORPORATED AREA. WE'RE LOOKING TO  
13 CREATE OUR OWN INTERNAL FUND TO BEGIN TO DEAL WITH THIS  
14 ON A LOCAL LEVEL; BUT, AS YOU KNOW, COUNTIES THROUGHOUT  
15 THE STATE ARE HAVING A PROBLEM FINANCIALLY, SO WE'RE  
16 NOT IN THE POSITION RIGHT NOW TO DEAL WITH THIS  
17 PARTICULAR SITE ON OUR OWN. AND THAT'S WHY WE'RE HERE  
18 BEFORE THE STATE TO PARTNER.

19 BOARD MEMBER JONES: NO. I UNDERSTAND THAT.  
20 AND I'M JUST THINKING THAT, YOU KNOW, IF WE DO THE  
21 SITE, WE PAY FOR IT AND WE DON'T GET ANY COST RECOVERY,  
22 AND, IN FACT, THE COUNTY LIENS IT, GETS COST RECOVERY,  
23 THEN WE'VE GIVEN YOUR CLEANUP PROGRAM A PRETTY GOOD  
24 BOOST IN FINANCES TO HELP FUND THE NEXT CLEANUP. AND  
25 WHILE THAT'S WELL AND GOOD, WE'VE GOT AN ONGOING



1 PROGRAM HERE WHERE WE SPEND AN AWFUL LOT OF MONEY THAT  
2 WE DO HAVE AN OBLIGATION TO TRY TO GET SOME OF THOSE  
3 FUNDS BACK.

4 MR. O'FARRELL: I DON'T KNOW TO WHAT DEGREE  
5 WE'RE GOING TO BE SUCCESSFUL IN RECOVERING OUR COST AS  
6 A RESULT OF THE LIEN PROCESS. DIANE MCELHERN IS HERE  
7 FROM OUR COUNTY COUNSEL'S OFFICE. MAYBE YOU MIGHT LIKE  
8 TO HEAR FROM HER. SHE'S MORE FAMILIAR WITH WHERE WE  
9 ARE, AT WHAT STAGE WE ARE, AND WHAT THE PROBABILITY IS  
10 FOR SECURING SOME OF THAT RECOVERED COST.

11 BOARD MEMBER JONES: BEFORE WE GET OFF THAT  
12 SUBJECT, ONE OTHER ISSUE. ON THE SURVEILLANCE, IS THE  
13 SHERIFF'S DEPARTMENT AWARE OF THIS PROPERTY AND KEEPING  
14 AN EYE ON IT?

15 MR. O'FARRELL: YES, SIR. AS A MATTER OF  
16 FACT, SHERIFF'S OFFICE HAS TOURED THE SITE COUPLE OF  
17 TIMES WITH OUR LEA AND WITH OTHER STAFF MEMBERS, SO  
18 THEY ARE AWARE THAT THIS IS A PROBLEM.

19 BOARD MEMBER JONES: OKAY.

20 CHAIRMAN PENNINGTON: OKAY. ANY OTHER  
21 QUESTIONS?

22 MS. TOBIAS: DO YOU WANT TO HEAR FROM COUNTY  
23 COUNSEL?

24 CHAIRMAN PENNINGTON: COUNTY COUNSEL,  
25 CERTAINLY.



1 MS. MCELHERN: GOOD MORNING. DIANE MCELHERN.  
2 I AM A DEPUTY COUNTY COUNSEL WITH COUNTY OF  
3 SACRAMENTO. AT THIS POINT WE HAVE HELD ALMOST ALL OF  
4 THE ABATEMENT HEARINGS THROUGH THE COUNTY NUISANCE CODE  
5 PROCESS. GENERALLY WE WILL LIEN THE PROPERTY AFTER  
6 WE'VE COMPLETED THE ABATEMENT PROCESS. AND THAT  
7 INVOLVES GOING TO OUR BOARD OF SUPERVISORS, GETTING THE  
8 LIEN CONFIRMED, AND THEN PUTTING IT ON THE TAX ROLL.  
9 THERE IS NO GUARANTEE THAT WE WILL  
10 COLLECT THAT LIEN, ALTHOUGH WE'VE BECOME A SECURED  
11 CREDITOR. IF THERE'S ANY OUTSTANDING TAXES THAT  
12 HAVEN'T BEEN PAID, THAT WILL BE SATISFIED FIRST, AND  
13 THEN THE COUNTY'S DEPARTMENT OF PLANNING AND COMMUNITY  
14 DEVELOPMENT WILL THEN COME NEXT IN LINE TO BE ABLE TO  
15 COLLECT THEIR ENFORCEMENT COSTS.  
16 SO, FIRST OF ALL, THE COUNTY IS NOT  
17 GUARANTEED THAT WE WILL BE ABLE TO COLLECT THE FUNDS  
18 THAT WE'RE GOING TO INCUR BECAUSE WE WILL BE CLEANING  
19 UP SOME OF THE ITEMS THAT THE STATE IS NOT ABLE TO  
20 CLEAN UP. AND ALSO WE WOULD BE VOLUNTEERING TO MAYBE  
21 PUT IN TRENCHING AND OTHER ITEMS TO PREVENT THIS  
22 PROBLEM FROM ARISING AGAIN.  
23 WE ARE CERTAINLY OPEN TO THE IDEA OF  
24 WORKING WITH THE STATE TO TRY TO FIND A WAY TO ATTACH  
25 THE STATE'S COST TO THE COUNTY'S LIEN, BUT, AGAIN,





1 THERE'S NO GUARANTEES THAT WE'RE GOING TO COLLECT MUCH  
2 MONEY FROM ANY OF THESE PROPERTIES. OTHER THAN THAT,  
3 I'M HAPPY TO ENTERTAIN ANY QUESTIONS YOU HAVE.

4 CHAIRMAN PENNINGTON: MR. FRAZEE.

5 BOARD MEMBER FRAZEE: ONCE YOU FILE A LIEN AND  
6 THEN SUBSEQUENT TO THAT TAXES GO UNPAID, WHAT'S THE  
7 TIME SCHEDULE ON HOW MANY YEARS DOES IT TAKE BEFORE THE  
8 PROPERTY FINALLY GOES TO A TAX LIEN SALE?

9 MS. MCELHERN: I BELIEVE IT'S FIVE YEARS, AND  
10 THEN THE TAX COLLECTOR WOULD PUT THE PROPERTY UP FOR  
11 SALE. AND THEN WE'RE TOTALLY DEPENDENT ON PEOPLE  
12 WANTING TO BUY THE PROPERTY, AND WE HAVE NO GUARANTEE  
13 OF HOW MUCH MONEY WE'LL BE ABLE TO COLLECT FOR EACH OF  
14 THOSE PROPERTIES THAT ARE PUT TO TAX SALE.

15 BOARD MEMBER FRAZEE: SO THAT DOES COME INTO  
16 PLAY, THE FIVE-YEAR TIME. I WON'T BE AROUND IN FIVE  
17 YEARS, SO I WON'T WORRY.

18 MS. MCELHERN: IF I MAY, SOME OF THESE  
19 PROPERTIES DO HAVE DELINQUENT TAXES ALREADY ON THEM.  
20 SO THEY MAY ALREADY BE WELL ON THEIR WAY TO TAX SALE.

21 CHAIRMAN PENNINGTON: ANY ADDITIONAL  
22 QUESTIONS? THANK YOU.

23 MR. CHANDLER: MR. CHAIRMAN, I WOULD PERHAPS  
24 SUM UP OR DOROTHY CAN DO THIS AS WELL, AGAIN RECOMMEND  
25 THE STAFF RECOMMENDATION. FROM THE STANDPOINT THAT I



1 THINK MR. FRAZEE POINTED OUT, THAT THIS IS A PRIME SITE  
2 FOR THIS PROGRAM AND THEN REPORT BACK TO YOU ON THE  
3 NEGOTIATIONS THAT COUNSEL ENTERED INTO TO SEE WHAT  
4 PROGRESS WE CAN MAKE ON THE OFFER THAT WAS GIVEN TODAY  
5 TO ATTACH OUR COSTS TO ANY RECOVERY THAT MAY BE  
6 GARNERED HERE.

7 CHAIRMAN PENNINGTON: OKAY. MR. FRAZEE.

8 BOARD MEMBER FRAZEE: YES. I WILL MOVE  
9 ADOPTION OF RESOLUTION -- OH, THERE'S ACTUALLY TWO  
10 RESOLUTIONS ON THIS. THERE'S 98-16, WHICH IS THE 2136.

11 BOARD MEMBER JONES: I'LL SECOND.

12 CHAIRMAN PENNINGTON: IT'S BEEN MOVED AND  
13 SECONDED. ANY FURTHER DISCUSSION? IF NOT, WILL THE  
14 SECRETARY CALL THE ROLL.

15 THE SECRETARY: BOARD MEMBER CHESBRO.

16 BOARD MEMBER CHESBRO: AYE.

17 THE SECRETARY: FRAZEE.

18 BOARD MEMBER FRAZEE: AYE.

19 THE SECRETARY: GOTCH.

20 BOARD MEMBER GOTCH: AYE.

21 THE SECRETARY: JONES.

22 BOARD MEMBER JONES: AYE.

23 THE SECRETARY: RELIS.

24 BOARD MEMBER RELIS: AYE.

25 THE SECRETARY: CHAIRMAN PENNINGTON.



1 CHAIRMAN PENNINGTON: AYE.

2 BOARD MEMBER FRAZEE: AND THEN THERE IS

3 RESOLUTION 98-17, WHICH IS THE REMEDIATION OF THE WASTE

4 TIRE STABILIZATION AND ABATEMENT PROGRAM. I'LL MOVE

5 ADOPTION OF THAT.

6 BOARD MEMBER JONES: I'LL SECOND THAT.

7 CHAIRMAN PENNINGTON: OKAY. IT'S BEEN MOVED

8 AND SECONDED. NO FURTHER DISCUSSIONS, WILL THE SECRETARY CALL THE 9

ROLL, PLEASE.

10 THE SECRETARY: BOARD MEMBER CHESBRO.

11 BOARD MEMBER CHESBRO: AYE.

12 THE SECRETARY: FRAZEE.

13 BOARD MEMBER FRAZEE: AYE.

14 THE SECRETARY: GOTCH.

15 BOARD MEMBER GOTCH: AYE.

16 THE SECRETARY: JONES.

17 BOARD MEMBER JONES: AYE.

18 THE SECRETARY: RELIS.

19 BOARD MEMBER RELIS: AYE.

20 THE SECRETARY: CHAIRMAN PENNINGTON.

21 CHAIRMAN PENNINGTON: AYE. MOTION CARRIES. WE'RE

GOING TO RECESS NOW 22 UNTIL 1:30.

23 WHEN WE COME BACK AT 1:30 --

24 BOARD MEMBER CHESBRO: MR. CHAIRMAN, CAN I

25 MAKE A SUGGESTION? JUST BECAUSE IT'S SUCH A LONG DAY



1 AND SINCE WE DON'T HAVE TO TRAVEL TO AND FROM LUNCH,  
2 COULD WE TRY TO SEE IF WE CAN DO IT IN AN HOUR AND BE  
3 BACK AT ONE?

4 CHAIRMAN PENNINGTON: THAT'S FINE WITH ME.

5 BOARD MEMBER JONES: CAN WE GET IT DONE IN AN  
6 HOUR?

7 MR. CHANDLER: WE HAVE A CLOSED SESSION.

8 CHAIRMAN PENNINGTON: CAN WE GET IT DONE IN AN  
9 HOUR?

10 MR. CHANDLER: I THINK SO. WE'RE RECESSING  
11 INTO CLOSED SESSION.

12 CHAIRMAN PENNINGTON: OKAY. WE WILL RECESS  
13 INTO CLOSED SESSION AND WILL RETURN AT 1 O'CLOCK, AT  
14 WHICH TIME WE WILL TAKE UP ITEM NO. 12.

15 (RECESS TAKEN.)

16 CHAIRMAN PENNINGTON: OKAY. BACK TO THE  
17 AFTERNOON SESSION OF THE JANUARY 1998 CALIFORNIA  
18 INTEGRATED WASTE MANAGEMENT BOARD MEETING. FIRST, I'M  
19 GOING TO ASK IF ANYBODY HAS ANY EX PARTES SINCE WE

20 BOARD MEMBER RELIS: EARLIER IN THE LAST  
21 BREAK, I HAD A BRIEF DISCUSSION WITH TERRY LEVEILLE  
22 THAT COULD BEAR ON A LATER SUBJECT OF THE TIRE.

23 CHAIRMAN PENNINGTON: OKAY. VERY GOOD. I  
24 ALSO RECEIVED A LETTER -- I ASSUME IT WAS FAX'D -- FROM  
25 PETER MCHUGH OF THE BOARD OF SUPERVISORS, SANTA CLARA



1 COUNTY ON ITEM 22.

2 BOARD MEMBER FRAZEE: I THINK WE ALL RECEIVED  
3 THAT LETTER.

4 CHAIRMAN PENNINGTON: OKAY. NEXT ITEM IS ITEM  
5 NO. 12, CONSIDERATION OF THE 1996 RIGID PLASTIC  
6 PACKAGING CONTAINER ALL-CONTAINER AND PETE RECYCLING  
7 RATE. CAREN TRGOVCICH.

8 MS. TRGOVCICH: GOOD AFTERNOON, CHAIRMAN  
9 PENNINGTON AND MEMBERS. I'M CAREN TRGOVCICH, DEPUTY  
10 DIRECTOR OF THE WASTE PREVENTION AND MARKET DEVELOPMENT  
11 DIVISION.

12 ONCE AGAIN, THE PURPOSE OF THE ITEM TODAY  
13 IS CALCULATION OF THE TWO RATES. THESE RATES ARE BEING  
14 PROPOSED FOR CALENDAR YEAR 1996. I WOULD LIKE TO  
15 ESPECIALLY NOTE FOR BOTH THE BOARD MEMBERS AS WELL AS  
16 THE AUDIENCE THAT THE ITEM TODAY IS THE RATE  
17 CALCULATION ONLY. THERE HAS BEEN SIGNIFICANT  
18 DISCUSSION RECENTLY, A NUMBER OF ARTICLES THAT HAVE  
19 COME OUT LINKING THE CALCULATION OF THE RATE DIRECTLY  
20 TO ENSUING ENFORCEMENT ACTION.

21 THERE ARE A NUMBER OF STEPS THAT, IF THE  
22 BOARD WERE TO ADOPT A RATE AND THAT RATE WERE TO BE  
23 CONSIDERED BELOW OR WHAT WAS BELOW THE 25-PERCENT  
24 PERCENTAGE CONTAINED IN THE STATUTE, THERE WOULD NEED  
25 TO BE A NUMBER OF STEPS THAT THE COMMITTEE AND BOARD



1 WOULD NEED TO UNDERTAKE PRIOR TO PURSUING ANY ACTION.  
2 50 I JUST WANT TO CLARIFY. I RECEIVED A NUMBER OF  
3 COMMENTS DURING THE BREAK AS WELL, THAT, OH, YOU ARE  
4 DOING BOTH TODAY, AND THE ANSWER IS, NO, WE ARE NOT.  
5 THIS IS A RATE CALCULATION ITEM ONLY.  
6 IN THE EVENT THAT THE ALL-CONTAINER RATE  
7 FOR 1996 IS CALCULATED AT A RATE BELOW 25 PERCENT, THE  
8 COMMITTEE HAS ALREADY INSTRUCTED STAFF THAT IF THAT  
9 EVENT WERE TO OCCUR, THEY HAVE PROVIDED US SOME INTERIM  
10 DIRECTION ON RETURNING BACK TO THE LOCAL ASSISTANCE AND  
11 PLANNING COMMITTEE AT A FUTURE TIME FOR THE COMMITTEE  
12 AND BOARD TO THEN CONSIDER OPTIONS.  
13 THE STAFF PRESENTATION TODAY WILL BE MADE  
14 BY JOHN NUFFER AND STEVE STORELLI. AND I'M GOING TO  
15 TURN IT OVER TO THEM TO PROVIDE YOU WITH INFORMATION  
16 PERTAINING THE CALCULATION OF BOTH RATES AND ISSUES  
17 THAT HAVE BEEN RAISED IN RESPONSE TO THE CALCULATION OF  
18 THE 1996 ALL-CONTAINER RATE.

19 MR. NUFFER: GOOD AFTERNOON, MR. CHAIRMAN,  
20 BOARD MEMBERS. MY NAME IS JOHN NUFFER. I MANAGE THE  
21 MARKET ANALYSIS SECTION IN THE WASTE PREVENTION AND  
22 MARKET DEVELOPMENT DIVISION. AND WITH ME, AS CAREN  
23 SAID, IS STEVE STORELLI. HE'S GOING TO BE HELPING WITH  
24 THE PRESENTATION. ALSO IN THE AUDIENCE ARE STEVE  
25 SORRELL AND BILL ARMSTRONG WITH CALIFORNIA DEPARTMENT



1 OF CONSERVATION, AND THEY WILL BE AVAILABLE AFTERWARDS  
2 TO HELP US ANSWER QUESTIONS.  
3 WE'RE HERE TODAY TO PRESENT THE SECOND  
4 ANNUAL CALCULATION OF THE RPPC ALL-CONTAINER AND PETE  
5 RECYCLING RATES. THE RPPC ALL-CONTAINER RECYCLING RATE  
6 WAS CALCULATED TO BE 23.2 PERCENT AND THE PETE RATE WAS  
7 CALCULATED TO BE 35.9 PERCENT. WE'RE RECOMMENDING THAT  
8 THE BOARD ADOPT BOTH OF THESE RATES FOR 1996.  
9 FIRST, I'LL DISCUSS THE CALCULATION OF  
10 THE PETE RECYCLING RATE. THEN I'LL PRESENT THE ALL-  
11 CONTAINER RECYCLING RATE.  
12 THE METHODOLOGY FOR CALCULATING THE PETE  
13 RATE WAS ADOPTED BY THE BOARD IN JUNE OF 1995. THE  
14 PETE RECYCLING RATE WAS CALCULATED USING DATA PROVIDED  
15 BY THE DEPARTMENT OF CONSERVATION -- THAT'S DOC -- FOR  
16 THE NUMERATOR AND THE PERIODICAL MODERN PLASTICS FOR  
17 THE DENOMINATOR. THIS RATE WAS 35.9 PERCENT FOR 1996.  
18 THE STATUTE ALLOWS ALL PRODUCT  
19 MANUFACTURERS SELLING PETE CONTAINERS IN CALIFORNIA TO  
20 BE IN COMPLIANCE IF THE ANNUAL OVERALL PETE RECYCLING  
21 RATE IS 55 PERCENT OR GREATER. IF THE BOARD ADOPTS THE  
22 CALCULATED RATE OF 35.9 PERCENT, THIS COMPLIANCE OPTION  
23 WILL NOT BE AVAILABLE TO PRODUCT MANUFACTURERS FOR  
24 1996.  
25 NEXT, I'LL DISCUSS THE RPPC ALL-CONTAINER



1 RECYCLING RATE. THE METHODOLOGIES FOR CALCULATING THIS  
2 RATE WERE APPROVED BY THE BOARD IN APRIL OF 1997. TO  
3 ASSIST IN DEVELOPING COST-EFFECTIVE METHODS FOR  
4 CALCULATING THIS RATE, THE BOARD CONTRACTED WITH  
5 CASCADIA CONSULTING. THE BOARD ALSO CONVENED A GROUP  
6 OF INTERESTED PARTIES TO EVALUATE ALTERNATIVES AND  
7 RECOMMEND THE MOST COST-EFFECTIVE METHODOLOGIES.  
8 THE INTERESTED PARTIES INCLUDED THE  
9 AMERICAN PLASTICS COUNCIL, APC, PRODUCT MANUFACTURERS,  
10 CALIFORNIANS AGAINST WASTE, PLASTIC RECYCLERS AND  
11 RECLAIMERS. THE INTERESTED PARTIES MET FIRST WITH  
12 BOARD STAFF AND CASCADIA ON JANUARY 8, 1997. THEY  
13 DEVELOPED AND WEIGHTED SIX CRITERIA FOR EVALUATING  
14 POTENTIAL METHODOLOGIES. THESE CRITERIA INCLUDED  
15 ACCURACY, DEFENSIBILITY, PRECISION, AFFORDABILITY,  
16 REPEATABILITY, AND THE ABILITY TO VALIDATE FINDINGS.  
17 ACCURACY, DEFENSIBILITY, AND PRECISION  
18 WERE WEIGHTED MOST IMPORTANT. AT THE JANUARY 8TH  
19 MEETING, CASCADIA PRESENTED 18 POTENTIAL METHODS FOR  
20 CALCULATING THE NUMERATOR AND DENOMINATOR OF THE  
21 ALL-CONTAINER RECYCLING RATE. THE INTERESTED PARTIES  
22 SELECTED EIGHT OF THESE TO BE EVALUATED BY CASCADIA.  
23 CASCADIA THEN SPENT A MONTH AND A HALF  
24 EVALUATING EACH OF THESE EIGHT METHODS. THE INTERESTED  
25 PARTIES MET AGAIN IN MARCH. IN A DETAILED REPORT





1 CASCADIA PRESENTED THE ADVANTAGES AND DISADVANTAGES OF  
2 EACH METHOD AND AN EVALUATION OF EACH METHOD USING THE  
3 SIX WEIGHTED CRITERIA DEVELOPED BY THE INTERESTED  
4 PARTIES. THE INTERESTED PARTIES DISCUSSED EACH OF THE  
5 POTENTIAL METHODS IN LIGHT OF THIS EVALUATION. IT WAS  
6 THE CONSENSUS OF INTERESTED PARTIES THAT THE BOARD  
7 COULD USE ANY ONE OF THE TOP THREE RANKED METHODS TO  
8 CALCULATE THE NUMERATOR AND ONE METHOD TO CALCULATE THE  
9 DENOMINATOR.  
10 TO CALCULATE THE NUMERATOR, STAFF  
11 RECOMMENDED SURVEYING PROCESSORS IF WE COULD GET DOC TO  
12 DO THE WORK BECAUSE THAT WOULD SATISFY THE CONCERNS OF  
13 INTERESTED PARTIES ABOUT STAFF'S ABILITY TO MAINTAIN  
14 THE CONFIDENTIALITY OF DATA AND OBTAIN AN ACCEPTABLE  
15 RESPONSE RATE. THIS METHOD WAS THE ONE DEEMED TO HAVE  
16 THE BEST CHANCE OF GETTING AN ACCEPTABLE RESPONSE RATE  
17 AT THE LEAST COST; IN OTHER WORDS, THE MOST COST-  
18 EFFECTIVE.  
19 IT TURNS OUT THAT THE RESPONSE RATE WAS  
20 ALMOST 100 PERCENT, AND DOC IS MAINTAINING THE  
21 CONFIDENTIALITY OF THE DATA. AT THE APRIL 1997 BOARD  
22 MEETING IN SAN BERNARDINO, THE BOARD ADOPTED THE METHOD  
23 STAFF BELIEVED TO BE THE MOST COST-EFFECTIVE. STAFF  
24 RECOMMENDED THE NUMERATOR FOR THE AMOUNT OF RPPC'S  
25 RECYCLED IN 1996 BE CALCULATED USING A SURVEY OF



1 PROCESSORS, WHICH WAS ONE OF THE METHODS APPROVED BY  
2 THE INTERESTED PARTIES.  
3 STAFF ALSO RECOMMENDED EXTRAPOLATING THE  
4 1995 GENERATION OF RPPC'S TO DETERMINE THE DENOMINATOR  
5 OR THE AMOUNT OF RPPC'S GENERATED IN '96.  
6 THE ALL-CONTAINER RECYCLING RATE WAS  
7 CALCULATED BY DIVIDING THE AMOUNT OF RPPC'S RECYCLED BY  
8 THE AMOUNT GENERATED IN CALIFORNIA. THE DEPARTMENT OF  
9 CONSERVATION REPORTED THE AMOUNT OF RPPC'S THAT WERE  
10 RECYCLED. THE BOARD'S CONSULTANT, CASCADIA, DETERMINED  
11 THE AMOUNT OF RPPC'S THAT WERE GENERATED IN '96. THE  
12 RESULT WAS A RECYCLING RATE OF 23.2 PERCENT. THE RATE  
13 MUST BE 25 PERCENT OR GREATER IN ORDER FOR PRODUCT  
14 MANUFACTURERS TO USE THIS RATE TO COMPLY WITH THE  
15 STATUTE.  
16 I'D LIKE NOW TO TALK ABOUT HOW THE  
17 DENOMINATOR WAS CALCULATED. THEN I'LL DISCUSS HOW THE  
18 NUMERATOR WAS CALCULATED. THE DENOMINATOR, WHICH IS  
19 THE AMOUNT OF RPPC'S GENERATED IN CALIFORNIA, WAS  
20 ESTIMATED USING 1996 NATIONAL RESIN STATISTICS SCALED  
21 TO CALIFORNIA USING A 1995 CALIFORNIA WASTE  
22 CHARACTERIZATION STUDY. THE ESTIMATED AMOUNT OF RPPC'S  
23 GENERATED IN 1996 IS 339,858 TONS. THE NUMERATOR,  
24 WHICH IS THE AMOUNT OF RPPC'S RECYCLED, WAS CALCULATED  
25 USING DATA PROVIDED BY DOC.



1 THE BOARD ENTERED INTO AN AGREEMENT WITH  
2 DOC TO SURVEY PROCESSORS OF PLASTIC. DOC WITH THE HELP  
3 OF CASCADIA, BOARD STAFF, AND INTERESTED PARTIES  
4 DEVELOPED A SURVEY. THE SURVEY WAS PRETESTED, REVISED  
5 SLIGHTLY, AND MAILED TO PROCESSORS. IN ORDER TO  
6 CAPTURE AS MUCH RPPC AS POSSIBLE, DOC COMBINED ITS OWN  
7 LIST OF PROCESSORS WITH CASCADIA'S LIST FROM LAST YEAR  
8 AND THE BOARD'S UPDATED MRF LIST. THE SURVEY WAS  
9 MAILED TO 246 PROCESSORS COMPARED TO 249 LAST YEAR.  
10 DOC STAFF CALLED EACH OF THE PROCESSORS AT LEAST ONCE  
11 AND ACHIEVED A PHENOMENAL 99.6 RESPONSE RATE, SO THEY  
12 CALLED ALL BUT ONE, COMPARED TO AN 84-PERCENT RESPONSE  
13 RATE LAST YEAR. THE TOTAL AMOUNT OF RPPC'S RECYCLED IN  
14 '96 IS 78,745 TONS.  
15 ONCE WE HAD DATA FROM CASCADIA FOR THE  
16 DENOMINATOR AND DATA FROM DOC FOR THE NUMERATOR, WE  
17 CONVENED AN INTERESTED PARTIES MEETING ON DECEMBER  
18 11TH. AT THAT MEETING WE DISCUSSED BOTH SETS OF DATA  
19 AND DIVIDED THE NUMERATOR BY THE DENOMINATOR TO GET THE  
20 ALL-CONTAINER RECYCLING RATE OF 23.2 PERCENT. THE  
21 INTERESTED PARTIES IN ATTENDANCE WERE FROM THE AMERICAN  
22 PLASTICS COUNCIL AND TALCO PLASTICS. DOC STAFF AND  
23 CHARLIE SCOTT FROM CASCADIA WERE ALSO PRESENT TO ANSWER  
24 QUESTIONS ABOUT THEIR WORK.  
25 THE PRIMARY ISSUE THAT AROSE CONCERNED



1 THE AMOUNT OF HDPE REPORTED BY PROCESSORS. THE TOTAL  
2 VOLUME OF HDPE REPORTED AS RECOVERED BY PROCESSORS WAS  
3 ABOUT 68 MILLION POUNDS. AN INDUSTRY SOURCE QUOTED BY  
4 APC REPORTED THAT 80 MILLION POUNDS WERE RECOVERED.  
5 APC IS, THEREFORE, CONCERNED THAT THE NUMBER REPORTED  
6 TO DOC IS TOO LOW. BECAUSE OF THIS CONCERN, DOC STAFF  
7 THOROUGHLY REEXAMINED THEIR WORK.  
8 FIRST, DOC CHECKED THEIR ASSUMPTIONS, THE  
9 METHOD, THE DATA, AND ANY POTENTIAL FOR DOUBLE  
10 COUNTING. THEY CAME TO THE CONCLUSION THAT THEIR  
11 SURVEY WAS COMPLETE, VALID, AND INTERNALLY CONSISTENT,  
12 AND THEY FOUND NO REASON TO CHANGE THE HDPE VOLUMES  
13 REPORTED BY PROCESSORS.  
14 SECOND, THE AMOUNT OF PETE REPORTED TO  
15 DOC IN THIS SURVEY WAS A LITTLE HIGHER THAN THE AMOUNT  
16 OF PETE DOC CALCULATED FOR ITS OWN PURPOSES IN 1996  
17 USING ITS REGULAR AND AUDITED PROCESS, WHICH IS USED TO  
18 COLLECT AND DISPENSE MILLIONS OF DOLLARS IN DEPOSIT  
19 FEES. DOC'S SURVEY PICKED UP SOME HDPE PROCESSED BY  
20 COMPANIES THAT FALL OUTSIDE THE CRV SYSTEM, AND THIS  
21 SUGGESTS THAT THE SURVEY WAS VERY THOROUGH.  
22 THIRD, DOC FOUND THAT THE NUMBER OF  
23 PROCESSORS HANDLING HDPE DECLINED BY 14 FROM 103 IN  
24 1995 TO 89 IN 1996. THIS DROP IN THE NUMBER OF  
25 PROCESSORS CERTAINLY REFLECTS THE CONSOLIDATION



1 OCCURRING IN THE WASTE MANAGEMENT INDUSTRY. TYPICALLY  
2 IN ANY INDUSTRY WHEN ONE COMPANY BUYS OUT ANOTHER,  
3 THERE IS DOWNSIZING AND THE COMBINED COMPANY GETS RID  
4 OF MARGINAL OR UNPROFITABLE OPERATIONS. THIS MAY HAVE  
5 RESULTED IN LESS HDPE COLLECTED AND PROCESSED.  
6 FOURTH, INDUSTRY REPORTS ESTIMATE THAT 60  
7 PERCENT OF HDPE RECOVERED NATIONALLY WAS COMPRISED OF  
8 MILK JUGS. AS ANOTHER BENCHMARK, DOC'S SURVEY FOUND  
9 THAT 65 PERCENT OF HDPE PROCESSED IN CALIFORNIA WAS  
10 MILK JUGS, SO THE VOLUME REPORTED TO DOC IN THIS REGARD  
11 SEEMS TO BE FAIRLY CONSISTENT WITH NATIONAL TRADE  
12 DATA. NEVERTHELESS, APC FELT IT MIGHT BE INFORMATIVE  
13 AND USEFUL TO COMPARE DOC'S SURVEY THIS YEAR WITH  
14 CASCADIA'S SURVEY OF LAST YEAR TO SEE IF IN COMPARING  
15 THE SURVEYS WE COULD FIND AN EXPLANATION FOR THE  
16 22-PERCENT DROP IN HDPE RECYCLED. WE AGREED THAT SUCH  
17 A COMPARISON WOULD BE THE MOST DIRECT WAY TO UNDERSTAND  
18 THE DECLINE. WE, THEREFORE, MET WITH DOC STAFF TO  
19 DISCUSS SUCH A COMPARISON.  
20 SOON AFTER THE MEETING, APC AUTHORIZED  
21 CASCADIA TO VERBALLY PROVIDE ITS SURVEY DATA TO DOC.  
22 DOG, HOWEVER, INDICATED THAT THEY ARE VERY BUSY AND  
23 THAT ANY FURTHER WORK WOULD REQUIRE ADDITIONAL  
24 FUNDING. BOARD STAFF BELIEVE WE COULD RESOLVE THE TIME  
25 AND FUNDING ISSUES, HOWEVER, BUT DOC WAS PARTICULARLY



1 CONCERNED THAT ANY COMPARISON OF DATA OR EVEN THE  
2 PUBLIC DISCUSSION OF SUCH A COMPARISON MIGHT COMPROMISE  
3 THEIR RELATIONSHIPS WITH PROCESSORS. SINCE WE WEREN'T  
4 ABLE TO GET DOC TO COMPARE THE SURVEYS PRIOR TO THE  
5 PLANNING COMMITTEE OR THIS BOARD MEETING, STAFF  
6 ATTEMPTED TO VERIFY OR BENCHMARK DOC'S FINDINGS USING  
7 REAL WORLD SOURCES.  
8 WE SPOKE WITH AS MANY PROCESSORS, CITIES,  
9 AND RECLAIMERS AS WE HAD TIME, AND WE TOOK A LOOK AT  
10 OUR OWN DOCUMENTATION OF MARKET PRICE TRENDS DURING  
11 1995 AND 1996. FIRST, WE ATTEMPTED TO CONTACT THE TOP  
12 TEN PROCESSORS OF CALIFORNIA HDPE FROM A LIST PROVIDED  
13 BY CASCADIA. WE ASKED IF THESE FIRMS PROCESSED MORE OR  
14 LESS HDPE IN 1996 OVER 1995 AND IF SO WHY. WE WERE  
15 ABLE TO REACH SOMEONE AT NINE OF THE TEN COMPANIES.  
16 FIVE FIRMS INDICATED THAT THEY HANDLED A FAIRLY  
17 CONSTANT AMOUNT OF HDPE IN '95 AND '96, ONE COMPANY  
18 PROCESSED MORE, AND THREE COMPANIES PROCESSED LESS. SO  
19 EIGHT OF THE TEN LARGEST COMPANIES PROCESSED THE SAME  
20 OR LESS HDPE IN '96 COMPARED TO '95.  
21 SECOND, IN AN ATTEMPT TO UNDERSTAND AND  
22 CROSS-CHECK THE RESULTS OF APC'S SAMPLE OF MUNICIPAL  
23 COLLECTION PROGRAMS, WHICH THEY SHARED AT THE RECENT  
24 PLANNING COMMITTEE MEETING, WE CALLED THE  
25 MUNICIPALITIES THAT APC CONTACTED. WE WERE ABLE TO



1 REACH TEN OF THOSE 12 CITIES, INCLUDING THE FIVE  
2 LARGEST. THOSE ARE THE CITY OF L.A. WITH WHOM WE SPOKE  
3 TWICE JUST TO BE SURE WE WERE COMMUNICATING WITH THEM  
4 CLEARLY AND THE CITIES OF SAN JOSE, SAN FRANCISCO,  
5 OAKLAND, AND SACRAMENTO. THOSE FIVE CITIES REPRESENT  
6 ALMOST 18 PERCENT OF THE STATE'S WASTESTREAM. APC  
7 FOUND THAT THERE WAS A 23-PERCENT INCREASE IN HDPE  
8 RECOVERY AMONG THE 12 CITIES POLLED. THE TEN CITIES  
9 WITH WHOM WE SPOKE TOLD US THAT THE RECOVERY OF HDPE  
10 ONLY INCREASED AN AVERAGE 8.5 PERCENT.  
11 THIRD, WE WANTED TO FIND OUT HOW MANY NEW  
12 CURBSIDE COLLECTION PROGRAMS MIGHT HAVE HANDLED HDPE IN  
13 1996. THERE WAS AN ARGUMENT MADE AT THE PLANNING  
14 COMMITTEE MEETING THAT BECAUSE THERE WERE MORE  
15 COLLECTION PROGRAMS IN '96, MORE HDPE MUST HAVE BEEN  
16 PROCESSED. STAFF FOUND THROUGH DOC THAT 51 NEW  
17 CURBSIDE COLLECTION PROGRAMS HANDLED HDPE WHILE 18  
18 DROPPED IT. THIS LEFT A NET GAIN OF 33 NEW PROGRAMS  
19 COLLECTING HDPE. HOWEVER, THE DOC CURBSIDE DATA  
20 DOESN'T INCLUDE VOLUME, SO IT DOESN'T HELP US VERY  
21 MUCH.  
22 THE NEXT LOGICAL QUESTION IS HOW MUCH OF  
23 THE HDPE THAT WAS COLLECTED WAS PROCESSED. SOME ASSUME  
24 THAT IF IT'S COLLECTED IT'S PROCESSED. WE SPOKE WITH  
25 ONE MRF OPERATOR WHO SAID THEY WERE CLOSE TO LAND



1 FILLING HDPE IN '96 BECAUSE OF THE PRECIPITOUS DROP IN  
2 ITS PRICE. WE SPOKE WITH ANOTHER MRF OPERATOR WHO  
3 SAID, BASED UPON HIS DISCUSSIONS WITH A NUMBER OF  
4 HAULERS, THAT HDPE WAS BEING LANDFILLED TO A GREAT  
5 EXTENT IN '96 UNLESS A FACILITY HAD OUTSIDE SPACE WHERE  
6 IT MIGHT BE STOCKPILED. THIS OPERATOR ALSO SAID THAT  
7 IF IT WERE PROCESSED, IT PROBABLY WOULD NOT HAVE BEEN  
8 LANDFILLED.

9 THIS BRINGS ME TO THE FOURTH ASPECT OF  
10 STAFF'S ANALYSIS, WHAT WERE THE MARKET FORCES IN '96?  
11 ONE LARGE PROCESSOR WITH WHOM WE SPOKE SAID HIS COMPANY  
12 PROCESSED 12 PERCENT LESS HDPE IN '96. THEIR SPOKESMAN  
13 ATTRIBUTED THIS TO TWO FACTORS. ONE, IN 1995 THERE WAS  
14 A SHORTAGE OF VIRGIN RESIN DUE TO REFINERY ACCIDENTS  
15 THAT FORCED BUYERS TO TURN TO POSTCONSUMER RESIN WHEN  
16 THEY COULDN'T GET VIRGIN, SO THE DEMAND FOR HDPE ROSE  
17 DRAMATICALLY. THE OTHER REASON WAS THE DECLINE IN  
18 EXPORT DEMAND. HE RECALLED THAT HE WAS GETTING AN  
19 ALL-TIME HIGH OF 32 CENTS PER POUND FOR NATURAL HDPE IN  
20 1995. THEN THE MARKET COLLAPSED, AS HE PUT IT, AND HE  
21 COULD ONLY GET 9 CENTS.

22 AS YOU CAN SEE FROM STAFF'S WORK, THE  
23 PRICE DROPPED FROM 16 CENTS PER POUND TO 12 CENTS  
24 DURING 1996. THAT'S A 25-PERCENT DECLINE FROM A HIGH  
25 OF 25 CENTS IN '95, AND THAT'S A 50-PERCENT DECLINE





1 FROM THE '95 HIGH.  
2 TO SUMMARIZE, STAFF BELIEVE THE RESULTS  
3 REPORTED TO DOC ARE CREDIBLE FOR THE FOLLOWING SEVEN  
4 REASONS: DOC IS INDEPENDENT. OVER MANY YEARS IT HAS  
5 DEVELOPED A TRUSTING RELATIONSHIP WITH PROCESSORS. IT  
6 ALSO HAS AN IMPECCABLE TECHNICAL REPUTATION. DOC  
7 REEXAMINED THEIR SURVEY AND CAN FIND NO REASON TO  
8 CHANGE THE VOLUMES OF HDPE REPORTED BY PROCESSORS.  
9 TWO, DOC FOUND THAT ITS SURVEY CAPTURED  
10 PETE THAT FELL OUTSIDE THE CRV SYSTEM, SO THEY BELIEVE  
11 THEIR SURVEY WAS THOROUGH IN REGARD TO HDPE.  
12 THIRD, DOC FOUND THAT THE NUMBER OF  
13 PROCESSORS DECLINED BY 14. IN ADDITION, ONE MAJOR  
14 CALIFORNIA RECLAIMER WENT BANKRUPT IN 1996.  
15 FOURTH, DOC FOUND THAT THE RESULTS OF  
16 THEIR SURVEY COMPARE FAVORABLY WITH INDUSTRY ESTIMATES  
17 OF THE PERCENTAGE OF HDPE IN MILK JUGS. INDUSTRY  
18 ESTIMATES THAT 60 PERCENT OF HDPE IS MILK JUGS. DOC  
19 FOUND THAT 65 PERCENT OF THE HDPE REPORTED WAS MILK  
20 JUGS.  
21 FIVE, BOARD STAFF FOUND THAT EIGHT OF THE  
22 TOP TEN PROCESSORS OF CALIFORNIA HDPE PROCESSED THE  
23 SAME OR LESS HDPE IN '96 COMPARED TO '95.  
24 SIXTH, STAFF SPOKE WITH TEN OF 12 CITIES  
25 SURVEYED BY APC, INCLUDING THE CITY OF L.A., SAN JOSE,



1 SAN FRANCISCO, OAKLAND, AND SACRAMENTO. APC REPORTS  
2 HDPE COLLECTION INCREASED BY 23 PERCENT. WE FOUND THAT  
3 HDPE COLLECTION INCREASED BY ONLY 8.5 PERCENT IN THOSE  
4 JURISDICTIONS.  
5 AND LAST, STAFF WAS ABLE TO CONFIRM THAT  
6 THE COLLAPSE OF THE PRICE OF HDPE IN 1995 CAUSED AT  
7 LEAST TWO PROCESSORS TO PROCESS LESS HDPE IN 1996. IN  
8 ADDITION, ONE MRF OPERATOR TOLD US THAT HDPE MIGHT HAVE  
9 BEEN STOCKPILED OR LANDFILLED BASED ON THEIR  
10 DISCUSSIONS WITH HAULERS.  
11 IN CONCLUSION, THE BOARD ADOPTED  
12 METHODOLOGIES FOR CALCULATING THE PETE RECYCLING RATE  
13 AND THE RPPC ALL-CONTAINER RECYCLING RATE, WHICH WERE  
14 ENDORSED BY INTERESTED PARTIES. STAFF WITH DATA FROM  
15 CASCADIA AND DOC CALCULATED THESE RATES. THE PETE RATE  
16 IS 35.9 PERCENT AND THE ALL-CONTAINER RECYCLING RATE IS  
17 23.2 PERCENT.  
18 THE AMERICAN PLASTICS COUNCIL, APC, IS  
19 CONCERNED THAT THE VOLUME OF HOPE REPORTED MAY BE TOO  
20 LOW, THEREBY RESULTING IN AN ALL-CONTAINER RATE WHICH  
21 IS TOO LOW. AS A RESULT, DOC AND BOARD STAFF REVIEWED  
22 AS MUCH INFORMATION AS POSSIBLE TO CORROBORATE THE  
23 VOLUME OF HDPE RECOVERED. BASED ON THIS REVIEW, STAFF  
24 BELIEVES THE PREPONDERANCE OF EVIDENCE INDICATES THAT  
25 THE VOLUME REPORTED BY PROCESSORS IS REASONABLE. AT



1 THIS POINT WE HAVE NO EVIDENCE TO SUGGEST THAT THE DATA  
2 REPORTED TO DOC IS INCORRECT.  
3 STAFF, THEREFORE, RECOMMENDS THAT THE  
4 BOARD ADOPT RESOLUTION NO. 98-20, AND THIS RESOLUTION  
5 ADOPTS THE 1996 RPPC ALL-CONTAINER RECYCLING RATE AS  
6 23.2 PERCENT AND THE 1996 PETE RECYCLING RATE AS 35.9  
7 PERCENT.

8 THAT CONCLUDES THE FORMAL PRESENTATION.

9 WE'D BE HAPPY TO ANSWER QUESTIONS.

10 CHAIRMAN PENNINGTON: QUESTIONS?

11 MS. TRGOVCICH: MAYBE JUST TO POINT OUT FOR  
12 YOU, MR. CHAIRMAN, THAT THERE ARE REPRESENTATIVES OF  
13 DOC IN THE AUDIENCE IF YOU HAVE ANY QUESTIONS.

14 REPRESENTATIVES OF APC ARE CERTAINLY HERE PREPARED TO  
15 MAKE THEIR PRESENTATION, AND THERE MAY BE SOME OTHER  
16 INDIVIDUALS THAT WERE A PART OF THE INTERESTED PARTIES  
17 THAT MET IN THE AUDIENCE AS WELL.

18 CHAIRMAN PENNINGTON: I HAVE TWO WHO ARE THE  
19 INTERESTED PARTIES. QUESTIONS? ANY QUESTIONS OF THE  
20 DOC STAFF? OKAY. MR. RICK BEST.

21 MR. BEST: THANK YOU, MR. CHAIRMAN AND BOARD  
22 MEMBERS. RICK BEST WITH CALIFORNIANS AGAINST WASTE.  
23 AND APPRECIATE THE OPPORTUNITY TO SPEAK ON THIS ISSUE  
24 TODAY.

25 WE WOULD LIKE TO URGE THE BOARD TO



1 SUPPORT ADOPTION OF THE RATES THAT HAVE BEEN  
2 PRESENTED. I'M QUITE IMPRESSED BY THE STAFF ANALYSIS  
3 IN TERMS OF REVIEWING THE NUMBERS THAT WERE PREPARED BY  
4 THE DOC. I THINK A NUMBER OF THINGS STAND OUT. I  
5 THINK THE FIRST ONE BEING THE FACT THE PHENOMENAL  
6 RESPONSE RATE FROM THE DOC SURVEY HAVING OVER  
7 99-PERCENT RESPONSE RATE AS COMPARED TO THE 1995  
8 SURVEY, I THINK, INDICATES THAT THESE ARE SOME VERY  
9 REAL NUMBERS THAT ARE BASED UPON WHAT'S GOING ON IN THE  
10 PLASTICS INDUSTRY. SO I THINK THAT SHOULD DEFINITELY  
11 BE A LEVEL OF ASSURANCE FOR THE BOARD IN ADOPTING A  
12 RATE.  
13 THE FACT IS THAT THE METHODOLOGY WAS ONE  
14 OF THE RECOMMENDATIONS FROM THOSE WITHIN THE INTERESTED  
15 PARTIES. AND I WOULD LIKE TO ADD THAT AN ISSUE THAT  
16 WE'VE RAISED IN THE PAST HAS BEEN THE FACT THAT THE  
17 RECYCLING RATE DOESN'T INCLUDE FOOD -- FAST FOOD  
18 PACKAGING CONTAINERS. SO, FRANKLY, IF THIS RATE WAS  
19 REFLECTIVE OF RPPC'S IN GENERAL, THE RATE WOULD  
20 ACTUALLY BE QUITE A BIT LOWER THAN THE RATE THAT HAS  
21 BEEN PROPOSED BY STAFF.  
22 SO I THINK ALL OF THESE THINGS, ALL THE  
23 CROSS-CHECKS BY THE STAFF INDICATE THAT THIS IS A  
24 NUMBER THAT'S REFLECTIVE OF WHAT'S GOING ON. I THINK A  
25 COUPLE OF THINGS THAT WE NEED TO RECOGNIZE IS THAT ON A



1 NATIONAL BASIS, WE'RE SEEING DECLINES IN TERMS OF THE  
2 NATIONAL RECYCLING RATE FOR PLASTICS. WE'RE SEEING A  
3 SIGNIFICANT INCREASE IN VIRGIN PRODUCTION FAR OUTPACING  
4 THE AMOUNT OF RECYCLED PRODUCTION. WE'RE SEEING MARKET  
5 TRENDS THAT SHOW RESIN PRICES FOR A LOT OF THE MANY  
6 GRADES OF RESINS DECLINING FROM 1995 LEVELS.  
7 ALL OF THESE ARE ADDING TO THE  
8 DIFFICULTIES THAT LOCAL GOVERNMENTS, RECYCLERS ARE  
9 FINDING IN THE HAVING MARKETS FOR MATERIALS,  
10 PARTICULARLY FOR PLASTICS. AND SO I THINK IT'S  
11 CRITICAL THAT THIS BOARD RECOGNIZE THAT, THAT THEY  
12 ADOPT THIS RATE, AND MOVE FORWARD WITH ENFORCING THE  
13 REMAINING PORTIONS OF THE LAW.  
14 WE RECOGNIZE THAT THIS IS NOT AN  
15 INDICATION THAT WE FAILED IN MEETING THE LAW, SIMPLY A  
16 RECOGNITION THAT THIS ONE OPTION FOR COMPLIANCE HAS NOT  
17 BEEN MET, BUT THERE'S OTHERS THAT MANUFACTURERS WOULD  
18 HAVE TO DEMONSTRATE IN THE FUTURE THAT THEY'VE COMPLIED  
19 WITH.  
20 50 WITH THAT, I WOULD LIKE TO URGE THE  
21 BOARD TO ADOPT THIS. I ALSO WANT TO PRESENT -- I DON'T  
22 KNOW IF YOU'VE RECEIVED THIS. THESE ARE LETTERS THAT  
23 WE ACTUALLY GOT FROM A NUMBER OF LOCAL GOVERNMENTS FROM  
24 THROUGHOUT CALIFORNIA OUTLINING A LOT OF THE ISSUES  
25 THEY'RE FINDING IN -- PROBLEMS IN FINDING MARKETS FOR



1 PLASTICS. I WANTED TO MAKE SURE THAT THESE WERE

2 ENTERED INTO THE RECORD.

3 CHAIRMAN PENNINGTON: OKAY. FINE. WE'LL ENTER  
4 THEM INTO THE RECORD IF THERE ARE NO OBJECTIONS. THANK YOU, MR.  
5 BEST.

6 NEXT WE'LL HAVE WILLIAM O'GRADY.

7 MR. O'GRADY: MR. CHAIRMAN, MEMBERS OF THE  
8 BOARD, I'VE BEEN ASKED TO READ THE COMMENTS OF JOHN  
9 SHEDD, THE PRESIDENT OF TALCO PLASTICS AS IT RELATES TO  
10 THIS PARTICULAR AGENDA ITEM.

11 I BELIEVE THAT THERE ARE SEVERAL PROBLEMS  
12 IN THE MANNER THAT DATA HAS BEEN COLLECTED AND  
13 ANALYZED, WHICH LEADS TO A RECYCLING RATE DETERMINATION  
14 WHICH EVEN AT 23.2 PERCENT IS HIGHER THAN APPROPRIATE.  
15 I WILL ITEMIZE MY THOUGHTS IN THIS LETTER, BUT FIRST I  
16 WOULD LIKE TO COMMEND THE BOARD FOR AUTHORIZING AN  
17 INDEPENDENT RATE STUDY AND COMPLIMENT YOUR STAFF AND  
18 DOC FOR THE PROFESSIONAL AND MATURE FASHION IN WHICH  
19 THEY APPROACHED THEIR ASSIGNMENT AND CONDUCTED THEIR  
20 MEETINGS.

21 NOW FOR THE POSSIBLE INACCURACIES. THE  
22 1996 STUDY IS A CONTINUATION OF THE '95 PROCESS, WHICH  
23 IS BASED ON A SMALL AND QUESTIONABLE WASTE CHARACTER-  
24 ZATION STUDY. YOU WILL PROBABLY RECALL THAT I OBJECTED  
25 AND PRESENTED CHARTS AND GRAPHS SHOWING THAT THE TONS



1 OF RPPC GENERATED IN '95 DID NOT COMPARE WITH THE  
2 BENCHMARKS THAT HAD BEEN SELECTED BY THE INTERESTED  
3 PARTIES COMMITTEE AND THE LOCAL ASSISTANCE AND PLANNING  
4 COMMITTEE. I WAS VOTED DOWN AND HAD TO BE SATISFIED  
5 WITH THE RECOMMENDATION TO CONDUCT ANOTHER WASTE  
6 CHARACTERIZATION STUDY IN THE FUTURE.  
7 MY POINT IS THAT YOU CAN'T EXPECT THE  
8 RIGHT CONCLUSION WHEN YOU EXTRAPOLATE FROM QUESTIONABLE  
9 DATA. I WAS PLEASED TO KNOW THE 99 PERCENT PROCESSOR  
10 RESPONSE FOR 1996. LAST YEAR THE RESPONSE WAS ONLY 84  
11 PERCENT, WHICH LED THE CONSULTANTS TO ADD AN  
12 APPROXIMATE 14-PERCENT ADJUSTMENT FACTOR TO THE HDPE  
13 TONS RECYCLED. IN MY OPINION THIS WAS AN ERROR. MOST  
14 OF THE NONRESPONDENTS DID NOT ANSWER BECAUSE THEY HAD  
15 NOTHING TO REPORT. THIS IS BORNE OUT BY THE FACT THAT  
16 99-PERCENT RESPONSE SHOWED A SIGNIFICANT DECREASE FROM  
17 THE ADJUSTED FIGURE FOR 1995.  
18 THE OTHER REASON FOR THE DECREASE IS  
19 BECAUSE INDIVIDUALS ARE NOT AS RECYCLING MOTIVATED AS  
20 IN THE PAST. ALTHOUGH SOME PEOPLE EXPRESS SURPRISE AT  
21 THE RECYCLING RATE GOING DOWN 1995 VERSUS 1996, THOSE  
22 OF US WHO ARE INVOLVED DAILY WERE EXPECTING IT. JUST  
23 TODAY I PICKED UP THE JANUARY 26TH ISSUE OF WASTE NEWS  
24 AND THERE ON THE FRONT PAGE WAS A REPRODUCTION OF AN  
25 APC CHART SHOWING THAT THE NATIONAL RPPC RECYCLING RATE



1 HAD DECLINED FROM 22.2 PERCENT TO 21.2 PERCENT BETWEEN  
2 '95 AND '96. AND EARLIER THIS YEAR IT WAS REPORTED  
3 THAT APC HAD QUIETLY CHANGED -- I BELIEVE HE MEANS IN  
4 '97 -- QUIETLY CHANGED THEIR RECYCLING RATE TO A  
5 COLLECTION OR A DIVERSION RATE; IN OTHER WORDS, NO  
6 DEDUCTION ALLOWED FOR THE 10 OR 15 PERCENT CONTAMINANTS  
7 WHICH ARE INCLUDED IN PROCESSOR FIGURES.  
8 THESE CONTAMINANTS ARE ACTUALLY SENT BACK  
9 TO THE LANDFILL BY RECLAIMERS. HAD APC REPORTED 1996  
10 ON THE SAME BASIS AS '95, THE NATIONAL RATE WOULD HAVE  
11 DROPPED TO LESS THAN 20 PERCENT. IN MY OPINION THESE  
12 COMMENTS WOULD HAVE THE COMBINED EFFECT OF LOWERING THE  
13 CALIFORNIA RECYCLING RATE BEYOND THE 23.2 PERCENT.  
14 PLEASE ENTER MY COMMENTS IN YOUR OFFICIAL  
15 FILE SO THAT THEY WILL BE CONSIDERED WHEN THE 1997  
16 STUDY IS PERFORMED. RESPECTFULLY, JOHN SHEDD,  
17 PRESIDENT TALCO PLASTICS.  
18 I WOULD LIKE TO ADD, GIVEN THE '96 STUDY  
19 IS AN EXTRAPOLATION OF THE '95 RESULTS, ANY COMPARISON  
20 BETWEEN THE TWO MUST KEEP IN PERSPECTIVE THE  
21 ASSUMPTIONS THAT WERE MADE INITIALLY IN '95 WITH REGARD  
22 TO THE WAY IN WHICH THE DATA WAS COLLECTED, PRESENTED,  
23 AND LABELED. ONE CLEAR ASSUMPTION IS THE PERCEPTION  
24 THAT THE '95 STUDY WAS EVEN 90 PERCENT ACCURATE. AS  
25 JOHN SHEDD INDICATED, THERE WAS QUITE A DEBATE OVER THE





1 WASTE CHARACTERIZATION RESULTS AND THE MANNER IN WHICH  
2 THE SAMPLE WAS CONDUCTED.  
3 PRIOR TO THE WASTE CHARACTERIZATION  
4 STUDY, I'M NOT SURE ALL THE INTERESTED PARTIES EVEN  
5 REACHED CONSENSUS ON THE TRUE DEFINITION OF AN RPPC.  
6 SUBMIT MOST PROCESSORS, RECLAIMERS, AND THE LIKE  
7 EXPERIENCE SIMILAR CONFUSION WHEN SURVEYED FOR THE '95  
8 STUDY.  
9 MUNICIPALITIES REPORT A COLLECTED VOLUME  
10 FROM CURBSIDE PROGRAMS. I WANT TO EMPHASIZE COLLECTED  
11 VOLUME. THE TRUCKS GO OUT TO THE NEIGHBORHOOD, PICK UP  
12 RECYCLABLES PLACED AT THE CURB, AND THEN ROLL OVER A  
13 SCALE AT THE MRF OR TRANSFER STATION WITH A TOTAL GROSS  
14 WEIGHT FOR THE LOAD. THIS GROSS WEIGHT IS THE TONNAGE  
15 REPORTED BY A MUNICIPALITY. ARE WE TO ASSUME THAT THE  
16 PROCESSORS EXPERIENCE ZERO LOSS AT THE MRF? I CAN  
17 ASSURE YOU RECLAIMERS DO NOT RECOVER A HUNDRED PERCENT  
18 OF THE PRODUCT RECEIVED AFTER IT IS SORTED AND BALED AT  
19 THE MRF. THE MATERIAL WHICH CANNOT BE RECYCLED MUST GO  
20 SOMEWHERE AND ULTIMATELY ENDS UP IN A LANDFILL.  
21 TALCO SUPPORTS THE EFFORT OF STAFF IN  
22 CALCULATING THE 1996 ALL-CONTAINER RECYCLING RATE AND  
23 STRONGLY RECOMMENDS THE WASTE BOARD ADOPT A 23.2  
24 PERCENT ALL-CONTAINER RECYCLING RATE AND THE 35.9  
25 PERCENT PET RECYCLING RATE. ALTHOUGH SOME MAY



1 DISAGREE, MARKETS CONTINUE TO REMAIN WEAK WITH REGARD  
2 TO OPPORTUNITIES FOR POSTCONSUMER RESIN CONTENT. YOUR  
3 SUPPORT OF THE '96 RECYCLING RATE WILL ENCOURAGE  
4 MANUFACTURERS TO COMPLY WITH THE OPTIONS PROVIDED TO  
5 THEM UNDER THE ORIGINAL INTENT OF CALIFORNIA LAW.  
6 THANK YOU FOR YOUR CONSIDERATION.

7 CHAIRMAN PENNINGTON: THANK YOU. MR. O'GRADY,  
8 I THINK MR. JONES HAS A QUESTION.

9 BOARD MEMBER JONES: I JUST WANT YOU TO  
10 CLARIFY ONE THING. WHEN YOU ARE TALKING ABOUT TRUCK  
11 GOES INTO A MRF WITH A SOURCE-SEPARATED LOAD AND IS  
12 WEIGHED, YOU ARE TALKING ABOUT THAT NET THAT GOES IN?  
13 YOU THINK THAT'S WHAT A CITY IS DOING AS OPPOSED TO  
14 WHEN THE MATERIAL GETS PROCESSED AND GETS BALED? EVERY  
15 MRF I'VE EVER RUN, YOU WEIGH THE BALE.

16 MR. O'GRADY: THE BALE IS NOT WEIGHED UNTIL A  
17 RECLAIMER LIKE OURSELVES CONTRACTS FOR THAT MATERIAL.  
18 THE BALE IS WEIGHED WHEN IT COMES TO THE RECLAIMER.  
19 BELIEVE THAT THE TRUCKS ROLL IN -- THAT'S WHERE WE GET  
20 OUR WEIGHTS.

21 BOARD MEMBER JONES: THAT'S WHERE YOU GET YOUR  
22 WEIGHTS, BUT I'M JUST SAYING, BECAUSE I DON'T WANT TO  
23 GET THIS THING CONFUSED. I MEAN YOU ARE SAYING THAT  
24 THEY'RE USING THE NET WEIGHT, BUT IF THE -- MOST  
25 FACILITY OPERATORS OF MRF'S WEIGH THE MATERIAL THAT



1 GOES OUT.

2 MR. O'GRADY: THEY WEIGH IT BOTH WAYS, MR.

3 JONES.

4 BOARD MEMBER JONES: SO THEY HAVE A NUMBER.

5 MR. O'GRADY: THEY HAVE A NUMBER OF WHAT

6 THEY'RE PROVIDING TO THE RECLAIMERS. THEY ALSO HAVE A

7 NUMBER OF WHAT COMES IN FROM THE MUNICIPALITIES THAT

8 CONTRACT WITH THAT PARTICULAR MRF. IN OTHER WORDS,

9 WHEN THE TRUCKS GO TO THE CURB TO PICK UP THE

10 RECYCLABLES, THEY GO TO THE MRF OR TRANSFER STATION AND

11 ROLL OVER A SCALE. THEY GET A WEIGHT RIGHT THERE. THE

12 TRUCKS GETS A TICKET, AND THAT TICKET GOES BACK TO THE

13 CITY AS THE WEIGHT THAT WAS DELIVERED ON THAT

14 TRUCKLOAD.

15 AFTER THE MATERIAL IS SORTED AND BALED AT

16 THE MRF, IT'S THEN WEIGHED AGAIN WHEN IT GOES OUT TO

17 THE RECLAIMER.

18 BOARD MEMBER JONES: OKAY. I THINK WE'RE

19 TALKING SEMANTICS BECAUSE I THINK THAT THE CITY -- IT

20 DEPENDS ON THE JURISDICTION, BUT A LOT OF -- THE ONLY

21 NUMBER YOU GIVE THE CITY ISN'T WHAT WAS COLLECTED AT

22 THE CURB. IT IS WHAT WAS PROCESSED AND ENDED UP ON A

23 BALE ON A TRUCK GOING TO A FACILITY.

24 MR. O'GRADY: YOU MAY BE CORRECT IN TERMS OF

25 WHAT THE MRF MUST REPORT BACK TO THE CITY. THAT COULD



1 BE CORRECT, BUT STILL THERE HAS TO BE SOME LOSS

2 ASSOCIATED AT EACH --

3 BOARD MEMBER JONES: SURE. SURE. THERE'S

4 GOING TO BE A LOSS. BUT I'M JUST SAYING I DON'T THINK

5 THAT LOSS NUMBER SHOWS UP IN THE NUMBER THAT IS

6 REPORTED FROM A MRF TO A CITY. I THINK THAT'S ALREADY

7 BEEN ACCOUNTED FOR.

8 MR. O'GRADY: IT COULD BE.

9 BOARD MEMBER JONES: AND I JUST DON'T WANT TO

10 SKEW THE ARGUMENT. YOU KNOW WHAT I'M SAYING? WE'VE

11 GOT A SERIES OF FACTS THAT WE'RE ADDING AN ASSUMPTION

12 THAT MAY BE RIGHT IN ONE PART OF THE STATE, MAY NOT BE

13 RIGHT IN ANOTHER PART OF THE STATE. I THINK WE HAVE TO

14 GO WITH WHAT WE KNOW. OKAY. THAT'S MY COMMENT.

15 CHAIRMAN PENNINGTON: THANK YOU. OKAY. MR.

16 EVAN EDGAR.

17 MR. EDGAR: GOOD AFTERNOON. MY NAME IS EVAN

18 EDGAR ON BEHALF OF THE CALIFORNIA REFUSE REMOVAL

19 COUNCIL REPRESENTING OVER 100 CURBSIDE COLLECTORS AND

20 50 MRF OPERATORS STATEWIDE. WE SUPPORT STAFF

21 RECOMMENDATIONS TODAY.

22 WE HAVE THE COLLECTION PROGRAMS. WE'VE

23 HAD IT FOR A LONG TIME. WE BUILT THE COLLECTION

24 PROGRAMS, AND WE HAVE THE PROCESSING CAPABILITIES. SO

25 WE DO HAVE THE INFRASTRUCTURE IN PLACE TO HANDLE ALL



1 TYPES OF MATERIALS, ALL TYPES OF PLASTICS. BUT WHAT WE  
2 DO WITH IT AFTER WE COLLECT AND PROCESS IT, WE NEED TO  
3 FIND MARKETS. AND WITHOUT MARKETS, WE CANNOT SEND OUR  
4 BALES OFF TO THE MARKETPLACE IN ORDER TO FULFILL AND  
5 CLOSE THE LOOP OF RECYCLING.  
6 WHAT HAPPENS TO MATERIALS WITHOUT  
7 MARKETS? THEY DON'T GET PICKED OFF THE LINE AND THEN  
8 END UP BEING LANDFILLED, AS STATED IN THE STAFF  
9 REPORT. THINGS THAT WE CAN PROCESS, WE DO BALE. WE DO  
10 WEIGH THE BALES AFTER THE PROCESS, SO WE KNOW HOW MUCH  
11 THEY WEIGH. SOMETIMES WE HAVE TO STOCKPILE THEM FOR A  
12 LONG TIME UNTIL WE FIND THE MARKETS. AND LOT OF TIMES  
13 WE DON'T HAVE THE MARKETS, AND SOMETIMES THOSE BALED  
14 STOCKPILES DO END UP IN LANDFILLS.  
15 I REPRESENT 12 LANDFILL OPERATORS AS  
16 WELL. SO THERE IS A LOT OF MATERIAL THAT DOES END UP  
17 IN THE LANDFILL STATEWIDE. WE'RE ONLY ABOUT, WHAT, 35  
18 PERCENT DIVERSION STATEWIDE.  
19 WHY I'M HERE TODAY IS THAT THE WORD IS  
20 THAT THERE MAY NOT BE ENOUGH COLLECTION INFRASTRUCTURE  
21 FOR THIS TYPE OF MATERIAL. WE HAVE THE COLLECTION  
22 INFRASTRUCTURE. WE COLLECT THE PLASTICS, WE CAN  
23 PROCESS IT, BUT WE DON'T HAVE THE MARKETS. SO WE ARE  
24 SUPPORTING STAFF RECOMMENDATIONS TODAY TO SEND A  
25 MESSAGE BACK TO THE PLASTICS INDUSTRY THAT WE DO HAVE



1 THE COLLECTION INFRASTRUCTURE. WE WANT TO PROCESS IT.

2 WE JUST NEED HELP WITH THE MARKETPLACE. THANK YOU.

3 CHAIRMAN PENNINGTON: THANK YOU. ANY

4 QUESTIONS OF MR. EVAN? OKAY. NEXT WE HAVE RON

5 PERKINS.

6 MR. PERKINS: THANK YOU, MR. CHAIRMAN AND ALL

7 THE REST OF THE BOARD MEMBERS. I JUST WANT TO HIT MR.

8 JONES' POINT TO SEE THE WAY -- WHILE I'M THINKING OF

9 IT, THE QUESTION. IN 19 -- THE WAY THE QUESTION WAS

10 ASKED, I BELIEVE, TO THE PROCESSORS, WHICH EVERYBODY

11 USES DIFFERENT, AS YOU KNOW, DIFFERENT SEMANTICS IN

12 THIS INDUSTRY, PRIMARILY THE MRF'S, WAS HOW MUCH DID

13 YOU SELL IN A BALE. THAT'S THE NUMBER. THEN THAT WAS

14 TAKEN BASED ON INPUT FROM JOHN SHEDD AND OTHER

15 RECLAIMERS NATIONWIDE, AND YIELD LOSS WAS APPLIED BOTH

16 IN 1995 AND 1996, BOTH YEARS.

17 AND WHEN INFORMATION WAS TAKEN FROM THE

18 CITIES, WE PRESUMED THAT WHAT IS REPORTED BY THE CITIES

19 IS WHAT IS REPORTED BY THEIR PROCESSORS. IN OTHER

20 WORDS, WHAT THE BALES, NOT WHAT WAS ON THE TRUCK, YOUR

21 TRUCKS THAT CAME INTO THE MRF, BUT WHAT WENT ON THE

22 TRACTOR TRAILERS, THE FLATBEDS, OR THE BOX TRUCKS THAT

23 WENT OUT. SO I DON'T KNOW IF THAT HELPS OR NOT.

24 BOARD MEMBER JONES: THAT'S THE WAY I THOUGHT

25 IT WORKED.



1 MR. PERKINS: WHAT I WOULD LIKE TO DO IS START  
2 OUT BY PUTTING THIS IN PERSPECTIVE. I THINK OBVIOUSLY  
3 PEOPLE WOULD EXPECT THAT THE PLASTICS INDUSTRY IS GOING  
4 TO DISPUTE THE NUMBER IF IT COMES OUT LESS THAN 25  
5 PERCENT AFTER ALL IS SAID AND DONE. I WANT TO PUT IT  
6 IN PERSPECTIVE. OUR CURRENT PROBLEM IS A PROBLEM THAT  
7 WE EXPRESSED A YEAR AGO IN THE INTERESTED PARTIES  
8 MEETING, AND THE PROBLEM, THE SOLE PROBLEM WE HAVE WITH  
9 THE METHODOLOGY FOR 1996 IS IN THE DOC PROCESSOR SURVEY  
10 AND ON HDPE, WHICH THEY HAVE NOT DONE BEFORE, THEY HAVE  
11 A LOT OF FAMILIARITY WITH THE PETE, AND WE HAVE NO  
12 PROBLEM WITH THAT.  
13 I WAS LISTENING TO MR. NUFFER'S  
14 TESTIMONY, AND I HEARD THE WORD "COST-EFFECTIVE"  
15 SEVERAL TIMES. AND I'M AFRAID THAT THAT'S WHAT HAS  
16 HAPPENED HERE IS THAT ACCURACY AND DEFENSIBILITY, AS  
17 AGAIN MR. NUFFER MENTIONED, WAS THE KEY -- BY FAR THE  
18 KEY CRITERIA OF THE INTERESTED PARTIES WAS WE WANT THIS  
19 TO BE ACCURATE, WE WANT THIS TO BE DEFENSIBLE, AND I  
20 WANT YOU TO KNOW THAT THE SPECTRUM FROM RON PERKINS AT  
21 APC TO MARK MURRAY AT CAW AGREED WE WANT THIS TO BE  
22 DEFENSIBLE, ACCURATE. AND WE PUT COST-EFFECTIVE LAST,  
23 AND SOMEHOW COST-EFFECTIVE GOT TO BE THE NO. 1  
24 CRITERIA.  
25 50 MY FIRST POINT IS THAT THE INABILITY



1 TO PROVIDE A VERIFIABLE AND DEFENSIBLE ESTIMATE OF THE  
2 POUNDS OF HDPE, RPPC'S IN CALIFORNIA STEMS FROM THE  
3 DECISION OF THE BOARD TO ACCEPT THE NUMERATOR  
4 METHODOLOGY RECOMMENDED BY THE STAFF RATHER THAN ITS  
5 OWN CONSULTANT, CASCADIA CONSULTING, AND BY THE  
6 INTERESTED PARTIES THAT, I BELIEVE, HAD THE BLESSING OF  
7 THE BOARD. AND THE INTERESTED PARTIES, I WOULD REPEAT  
8 AGAIN, INCLUDED, I BELIEVE, BILL O'GRADY, MARK MURRAY,  
9 MYSELF, AND -- AND I GAVE YOU HANDOUTS BECAUSE, AS YOU  
10 SAW BEFORE, I DON'T HAVE THE ABILITY TO TALK AND TRY TO  
11 PLAY WITH THIS MACHINE AT THE SAME TIME.  
12 SO IF YOU LOOK AT EXHIBIT 1(A), THE  
13 RESULTS OF THE INTERESTED PARTIES, WHICH WERE YOUR  
14 ADVISORS ON THIS, GAVE A SCORE OF PLUS 32, WHEN YOU  
15 LOOK ON THE OVERALL SCORE ON THE RIGHT-HAND SIDE OF THE  
16 SHEET THAT YOU HAVE, EXHIBIT 1(A) -- AND I APOLOGIZE TO  
17 THE AUDIENCE FOR NOT -- I'LL BE HAPPY TO GIVE ANYBODY  
18 IN THE AUDIENCE COPIES OF THIS IF THEY WOULD LIKE  
19 AFTERWARDS.

20 BOARD MEMBER GOTCH: EXCUSE ME, RON. THIS IS  
21 NOT IDENTIFIED, BUT I'M ASSUMING THIS IS THE  
22 INFORMATION YOU'RE TALKING ABOUT.

23 MR. PERKINS: I BELIEVE IT'S THE -- YEAH,  
24 THAT'S EXHIBIT 1(A), AND THIS WAS CASCADIA'S REPORT TO  
25 THE STAFF. AND I THINK IT REFLECTS THE ACCURATE SCORE,





1 DOING RECLAIMERS, WHICH IS WHAT THE INTERESTED PARTIES  
2 VOTED, GAVE IT A PLUS 32 AND GAVE DOING PROCESSORS A  
3 MINUS 8. 50 I THINK IT WAS CLEAR WHAT THE INTERESTED  
4 PARTIES WANTED.  
5 NOW, THE NEXT -- WHAT CAREN JUST PUT UP,  
6 I BELIEVE, IS WHAT I HAVE AS EXHIBIT 1(B), WHICH HAS  
7 CASCADIA'S SCORE, THEIR RANKING OF THE OPTIONS FOR  
8 DOING THE NUMERATOR. AND AGAIN, NOT SUCH A WIDE  
9 MARGIN, BUT AGAIN A SURVEY OF RECLAIMERS WAS ALSO THE  
10 TOP SCORE. SO YOU HAD ALL THE INPUT YOU HAD FROM  
11 PARTIES WHO WERE SUPPOSED TO BE OVERSEEING THIS ISSUE  
12 WAS DO THE RECLAIMERS, NOT THE PROCESSORS.  
13 THE RECLAIMERS ARE A MUCH SMALLER  
14 UNIVERSE. THEY WERE ABOUT 40 IN 1995. THEY'RE ALL  
15 USED TO REPORTING. THEY REPORT ON THE NATIONAL BASIS.  
16 THEY HAVE BEEN FOR FIVE YEARS. TALCO, JOHN SHEDD, IS A  
17 MEMBER OF APR, WHICH ENDORSES THE NATIONAL RATE.  
18 THE LAST THING THAT I WOULD POINT OUT IS  
19 EXHIBIT 1(C) WHERE ON APRIL 23D, WHICH I BELIEVE WAS  
20 THE DAY BEFORE THE FULL BOARD MET TO APPROVE THE  
21 METHODOLOGY, WE PUT IN WRITING OUR OPPOSITION TO USING  
22 THE SURVEY OF PROCESSORS. SPECIFICALLY I THINK YOU  
23 HAVE IT MARKED IN GREEN. IT SAYS THE APC BELIEVES THAT  
24 IT IS HIGHLY UNLIKELY THAT A STAFF SURVEY OF CALIFORNIA  
25 PROCESSORS WILL ADEQUATELY IDENTIFY THE TOTAL QUANTITY



1 OF RPPC'S RECYCLED IN CALIFORNIA IN 1996. AND THAT'S  
2 WHAT'S AT ISSUE, NOT ON HOW GOOD OR BAD THE PLASTICS  
3 INDUSTRY IS, BUT IDENTIFYING THE POUNDS THAT ARE  
4 RECYCLED IN 1996 OF RPPC'S. SO THAT, WE WERE ON RECORD  
5 WAY BACK IN APRIL.  
6 MY SECOND POINT IS THAT THE SURVEY OF  
7 PROCESSORS CONDUCTED BY THE DOC HAS FAILED TO EITHER  
8 COMPLETELY -- AND I'LL GET TO THAT MORE LATER --  
9 COMPLETELY IDENTIFY, VERIFY, OR BENCHMARK ALL OF THE  
10 HDPE, RPPC'S RECYCLED IN CALIFORNIA AND INSTEAD HAS  
11 PRODUCED AN ESTIMATE WHICH DOES NOT CORRELATE WITH ANY  
12 OTHER QUANTITATIVE INFORMATION RELATING TO THE  
13 COLLECTION, PROCESSING, AND RECLAMATION OF HDPE EITHER  
14 IN CALIFORNIA, YOUR NEIGHBORING STATE OF OREGON, OR  
15 NATIONWIDE.  
16 THE 1996 RATE IS BASED ON ONLY ONE  
17 UNVERIFIED SURVEY. WHEN I SAY UNVERIFIED, I'M GOING TO  
18 USE THE STAFF'S OWN CHECKING UP OF OUR SURVEY AS A GOOD  
19 EXAMPLE OF, WHEN TWO DIFFERENT PEOPLE CALL A CITY, YOU  
20 GET TWO DIFFERENT ANSWERS. AND I'LL GUARANTEE IF A  
21 THIRD PARTY CALLED UP THOSE SAME CITIES THAT WE CALLED,  
22 AND I WROTE DOWN NUMBERS THAT WERE GIVEN TO ME BY  
23 ANOTHER PARTY, THEY WOULD GET A THIRD NUMBER.  
24 THE -- IN 1995 THE NUMERATOR WAS  
25 ESTIMATED BY THREE SURVEYS: A SURVEY OF COLLECTORS,



1 PROCESSORS, AND RECLAIMERS. AND YOU HAVE EXHIBIT AS  
2 2(A) A 22-PAGE REPORT IN 1995. I'M SURE WE WOULD HAVE  
3 BEEN LAUGHED OUT OF HERE IF CASCADIA HAD COME IN WITH  
4 ONE SURVEY UNVERIFIED. IT WAS A 22-PAGE SURVEY WITH  
5 NARRATIVE, ALL THE EXPLANATION OF HOW EVERYTHING WAS  
6 DONE, AND THEY CROSS-REFERENCED COLLECTION WITH  
7 PROCESSING WITH RECLAMATION.  
8 I WOULD THEN POINT TO EXHIBIT 2(B), WHICH  
9 IS THE REPORT OF THE DOC, WHICH IS A FIVE-PAGE, NO  
10 NARRATIVE, A FEW NUMBERS THAT SAY BASICALLY THE ANSWER  
11 IS 157.49 MILLION POUNDS RECYCLED. THAT'S IT. WE HAVE  
12 NO DISCLOSURE OF WHAT THE NUMBERS ARE THAT MADE UP THAT  
13 FINAL NUMBER.  
14 JUST TO PUT IT IN PERSPECTIVE  
15 NUMERICALLY -- AND I'LL TAKE ONE TRY AT MAKING THIS  
16 WORK -- THE BOTTOM LINE -- IN 1995 THREE SURVEYS, WHICH  
17 WERE ALL APPROVED BY THE AT THAT TIME CALLED THE RRAC,  
18 THE RECYCLING RATE ADVISORY COMMITTEE, AND ULTIMATELY  
19 YOU, THE BOARD, ALL FELL BETWEEN 75 AND 80 MILLION  
20 POUNDS FOR HDPE. THE AVERAGE WAS ACCEPTED, I BELIEVE  
21 VOTED ON, AS OPPOSED TO THIS YEAR WHEN THE GROUP DID  
22 NOT VOTE ON IT, THE INTERESTED PARTIES, TO USE AN  
23 AVERAGE OF THOSE THREE, WHICH IS 77.43 MILLION POUNDS.  
24 THE 1996 DOC SURVEY AT 60.51 MILLION  
25 POUNDS ESTABLISHES THE DISCREPANCY THAT WE HAVE GREAT



1 ISSUE WITH OF MINUS 21.9, CALL IT MINUS 22 PERCENT. SO  
2 TO RECONCILE THAT FIGURE OF MINUS 22 PERCENT, YOU WOULD  
3 EXPECT WHEN YOU LOOKED AT BENCHMARKS TO FIND SOMETHING  
4 THAT SAID -- AT LEAST HAD MINUS SIGNS IN FRONT OF THEM  
5 ON COLLECTION AND RECLAMATION.  
6 YOU HAVE ALSO, IN ADDITION TO THE THREE  
7 SURVEYS THAT CASCADIA DID, QUANTITATIVE BENCHMARKS,  
8 EXHIBIT 2(D). THIS IS PART OF THE REPORT THAT YOU HAVE  
9 FROM CASCADIA IN 1995 WHICH INCLUDES AN EXPLANATION OF  
10 THE THREE BENCHMARKS THAT THEY PERFORMED, AS WELL THEY  
11 SHOULD HAVE AND WERE EXPECTED TO, IN 1995 THE  
12 BENCHMARK, THE DATA, THAT CAME FROM THREE, NOT ONE  
13 SURVEY.  
14 THIRD POINT, ATTEMPTS TO CORRELATE THE  
15 HDPE RECYCLING DECREASE TO THE NUMBER OF PROCESSORS IS  
16 BASED UPON AN INCOMPLETE INVENTORY OF PROCESSORS AND  
17 ILLOGICAL DEDUCTION. THERE'S A SENTENCE IN THE AGENDA  
18 ITEM TO YOU, AND I THINK I HEARD THE NUMBER CHANGE  
19 TODAY -- MAYBE CAREN CAN CORRECT ME IF I'M WRONG. THE  
20 AGENDA ITEM SAYS STAFF REPORTS A 26-PERCENT DECLINE  
21 FROM 122 IN 1995 TO 90 IN 1996. DID THE NUMBER CHANGE  
22 TODAY?

23 MS. TRGOVCICH: YEAH. THE NUMBER WAS  
24 RECALCULATED, AND I BELIEVE THE EXPLANATION WAS  
25 INCLUDED IN THE ITEM, THAT WE USED A MUCH MORE



1 CONSERVATIVE APPROACH THIS TIME IN RESPONSE TO THE  
2 ISSUES THAT YOU RAISED AT THE COMMITTEE MEETING.  
3 MR. PERKINS: THANK YOU. OUR R. W. BECK  
4 SURVEY, WHICH YOU HAVE AS EXHIBIT 3(A -- WE MAINTAIN A  
5 DATABASE OF WHAT WE CALLED HANDLERS, YOU CALL  
6 PROCESSORS. WE CALL IT OUR HANDLER/RECLAIMER DATABASE.  
7 WE CALL THE JOHN SHEDD, TALCO'S OF THE WORLD  
8 RECLAIMERS -- AND SHOWED THAT THERE WERE 135 HANDLERS,  
9 AGAIN, THAT REPORTED, NOT THAT WE TOOK ANYBODY'S HAND  
10 AND MADE THEM SAY THEY DID. WE SENT OUT -- R. W. BECK  
11 SENT OUT A SURVEY TO ALL THESE ENTITIES IN THE  
12 MATERIALS HANDLING BUSINESS IN CALIFORNIA, RECEIVED  
13 BACK 135 RESPONSES. ONE HUNDRED THIRTY-FIVE FACILITIES  
14 SAID WE DO HANDLE HDPE.  
15 I COULDN'T VERIFY WHETHER THEY DO OR NOT.  
16 ALL I'M TELLING YOU IS THAT'S ANOTHER EXAMPLE OF A  
17 REPORT, 135. THAT WAS UP FROM 99. YOU ALSO HAVE THE  
18 1995 HANDLER DATABASE, AND IT WAS 99, WENT TO 135 IN  
19 1996, AND IT'S GONE TO -- WENT TO 142 IN 1997. SO IT  
20 IS INCREASING. I CAN'T VERIFY ANY ONE OF THOSE UNLESS  
21 WE WENT AND TALKED TO THEM, BUT THE OTHER THING YOU  
22 WOULD NOTICE BY THE THREE SURVEYS IS THAT THERE IS A  
23 FAIRLY HIGH TURNOVER. IF YOU LOOKED AT '95 VERSUS '97,  
24 TO TRY TO GO DOWN THE TWO COLUMNS, YOU SOON WOULD SEE A  
25 LOT OF DIFFERENT NAMES AND COMPANIES ARE BEING BOUGHT



1 OUT, NEW COMPANIES ARE STARTING, SOME ARE GOING OUT OF  
2 BUSINESS.  
3 I GUESS THE WAY THAT I WOULD TRY TO  
4 CHARACTERIZE THE ILLOGIC IS TO SAY THAT BECAUSE THE  
5 NUMBER OF PROCESSORS, THE NUMBER WENT DOWN, DOES THAT  
6 MEAN THAT -- AS MR. JONES WOULD KNOW AND I'M SURE ALL  
7 OF YOU KNOW, MERGERS AND ACQUISITIONS, THERE ARE  
8 PROBABLY FEWER HAULING COMPANIES IN THE STATE IN 1996  
9 THAN 1995. DOES THAT MEAN THAT LESS GARBAGE OR  
10 RECYCLABLES IS BEING PICKED UP? WE ALL KNOW THAT  
11 NATIONWIDE -- I CAN'T SAY FOR CALIFORNIA, BUT I KNOW AT  
12 LEAST NATIONWIDE THE NUMBER OF LANDFILLS HAS REDUCED  
13 DRASTICALLY EVERY YEAR FOR THE LAST TEN YEARS. DOES  
14 THAT MEAN THERE'S LESS MSW BEING DISPOSED? NO. IT  
15 MEANS THE BIGGER FISH ARE EATING THE SMALLER FISH. WE  
16 ENDED UP WITH LARGER ORGANIZATIONS IN COLLECTION AND  
17 PROCESSING AND LANDFILLING.  
18 WHEN EACH OF THESE PROCESSORS -- WE'RE  
19 LED TO BELIEVE BECAUSE -- WHEN EACH OF THESE PROCESSORS  
20 THAT CLOSED THEIR DOORS, AND I BELIEVE THERE WERE SOME  
21 IN 1996 THAT CLOSED THEIR DOORS -- DID THE CURBSIDE  
22 COLLECTION OF HDPE OR ANY OTHER RECYCLABLE MATERIAL,  
23 ANY RECYCLED MATERIAL STOCK, NOT JUST HDPE, UNLESS  
24 SOMEONE IN THIS ROOM CAN POINT OUT A REDUCTION IN THE  
25 NUMBER OF COMMUNITIES COLLECTING PLASTIC, THE ILLOGICAL



1 CORRELATION IS CONFIRMED. THE MATERIAL STILL WAS  
2 PICKED UP, AND WE HAVE -- THE DOC HAS STAFF HERE, AND  
3 I'D BE HAPPY TO HEAR OF ANY COMMUNITIES THAT DID STOP  
4 COLLECTING HDPE IN 1996 THAT PICKED IT UP IN 1995. IN  
5 FACT, I THINK THEIR OWN DATA AND YOUR STAFF'S DATA SAYS  
6 THAT THE NUMBER OF COMMUNITIES INCREASED.  
7 OBVIOUSLY THERE WAS -- IF THERE WAS A  
8 DECREASE, IT WAS A MATTER OF THE MATERIAL FLOWING  
9 ELSEWHERE. I'LL SUSPEND MY DISBELIEF FOR THE MOMENT.  
10 LET'S SAY THAT THE NUMBER I HAD, BECAUSE, AGAIN, IT WAS  
11 FROM THE AGENDA ITEM, THAT 32 HANDLERS WENT OUT OF  
12 BUSINESS IN 1996. THIS SURVEY DONE BY DOC WAS DONE IN  
13 OCTOBER 1997. WHAT I WOULD LIKE TO KNOW, IF THESE 32  
14 BUSINESSES WENT OUT OF BUSINESS IN 1996, DOES THE DOC  
15 HAVE THE POUNDS OF HDPE OR ANY OTHER PLASTIC THAT THEY  
16 HANDLED IN 1996.  
17 I REPEAT. THE SURVEY WAS DONE IN OCTOBER  
18 1997, AND THE SENTENCE IN YOUR AGENDA ITEM SAYS THESE  
19 BUSINESSES WENT OUT OF BUSINESS IN 1996. HOW DO YOU  
20 CALL SOMEBODY WHO ISN'T THERE? DID THEY ALL GO OUT OF  
21 BUSINESS JANUARY 1, 1996, SO THEY NEVER HANDLED ANY  
22 PLASTIC BEFORE THEY CLOSED THEIR DOORS IN 1996? WE  
23 HAVE ZERO FROM -- IF THAT'S A DATABASE. I DON'T REALLY  
24 BELIEVE IT IS, BUT YOU CAN'T HAVE IT BOTH WAYS. IF,  
25 YOU KNOW - - AS I SAID, I REALLY BELIEVE THAT THE



1 MATERIAL JUST FLOWED SOMEWHERE ELSE, BUT YOU CAN'T HAVE  
2 IT BOTH WAYS.  
3 MOVING ON TO ANOTHER POINT BROUGHT UP BY  
4 STAFF, STAFF'S OWN SURVEY OF PROCESSORS, DISCUSSED ON  
5 PAGE 12-6 OF YOUR AGENDA ITEM, AND AGAIN I GUESS I  
6 DIDN'T PUT IT IN, BUT YOU HAVE THAT IN YOUR AGENDA ITEM  
7 FOR TODAY, DOES NOT SUPPORT THE DOC DATA OF MINUS 22  
8 PERCENT. AGAIN, I HEARD NEW DATA TODAY THAT THEY DID  
9 NINE INSTEAD OF EIGHT, SO TRUST ME. I'M GOING BY WHAT  
10 I HAD IN THE AGENDA ITEM. I BELIEVE, STEVE, YOU HAD  
11 EIGHT COMPANIES WERE REACHED ON PAGE 12-6. WE  
12 ATTEMPTED TO CONTACT THE LIST OF TEN PROCESSORS. WE  
13 ASKED THEM -- SAYS WE WERE ABLE TO REACH EIGHT OF THE  
14 TEN. I'M NOT QUICK ENOUGH TO NOW SHUFFLE MY FEET AND  
15 DO NINE THAT YOU TOLD ME TODAY.

16 MR. NUFFER: WELL, RON, WE'VE BEEN CALLING  
17 PROCESSORS AND CITIES AND RECLAIMERS UP UNTIL LAST  
18 NIGHT.

19 MR. PERKINS: I'M JUST SAYING THAT I'M GOING  
20 TO USE THE EIGHT THAT I -- BY YOUR EXPLANATION IN THAT  
21 PARAGRAPH ON PAGE 12-6, FOUR WERE CONSTANT, CALL IT  
22 ZERO, 0 PERCENT CHANGE, NOT NEGATIVE 22. ONE SAW A  
23 SLIGHT DECLINE. PICK A NUMBER. WHAT'S SLIGHT? FIVE  
24 PERCENT? 10 PERCENT? NOW WE GOT ONE AT MINUS 10, FOUR  
25 AT ZERO, ONE DECLINED 15. WE NOW HAVE ONE MINUS 15,





1 ONE MINUS 10, AND FOUR ZEROS. ONE OFFERED NO RELATIVE  
2 COMPARISON. SINCE FOUR WERE CONSTANT AND ONLY ONE  
3 REPORTED A DECLINE OF ONLY 15 PERCENT, IF, AS THE STAFF  
4 IS TRYING TO USE THIS AS A BENCHMARK OF MINUS 22  
5 PERCENT, IT IS MATHEMATICALLY IMPOSSIBLE FOR THE TOTAL  
6 FROM REPRESENTATIVE SURVEY TO HAVE DECLINED BY 22  
7 PERCENT WHEN YOU HAVE FOUR ZEROS, A MINUS 10, AND A  
8 MINUS 15.  
9 IF THEY WERE ALL THE SAME SIZE, IN OTHER  
10 WORDS, EACH ONE WAS WEIGHTED THE SAME, YOU WOULD HAVE A  
11 WEIGHTED AVERAGE OF A MINUS 1.5 PERCENT REDUCTION. I  
12 DON'T THINK MINUS 1.5 IS A BENCHMARK THAT MAKES ME FEEL  
13 GOOD ABOUT MINUS 22 PERCENT.

14 MS. TRGOVCICH: RON, IF I CAN INTERRUPT HERE  
15 VERY BRIEFLY FOR THE MEMBERS' PURPOSES. AS YOU ARE  
16 AWARE, THE SELECTION OF DOC TO PERFORM THIS WORK ON THE  
17 NUMERATOR WAS PRINCIPALLY ASSOCIATED WITH THE  
18 CONFIDENTIALITY ISSUE. AS SUCH, WE AS STAFF HAVE NO  
19 IDEA WHAT THE VOLUME PROCESSED AROUND THE TEN THAT WE  
20 TRIED TO CONTACT WAS. WE WERE PROVIDED WITH NO  
21 NUMBERS.  
22 SO TRYING TO GET TO THE POINT THAT RON IS  
23 TALKING ABOUT, THIS IS A REPRESENTATIVE SAMPLE. WE AS  
24 STAFF WOULD NOT AT ALL TRY TO IMPLY THAT IT IS SUCH.  
25 WE WERE SIMPLY TRYING TO FOLLOW UP, AS APC WAS TRYING



1 TO FOLLOW UP IN THE SAME TIME PERIOD WITH MANY OF  
2 LIKELY THESE SAME PROCESSORS, TRYING TO GET SOME TREND  
3 INFORMATION. IT IS NOT INTENDED TO BE A SCIENTIFIC OR  
4 BENCHMARK BASIS IN THAT SENSE. IT IS INTENDED ONLY TO  
5 SERVE AS TREND INFORMATION.

6 MR. PERKINS: MOVING RIGHT ALONG. ANOTHER  
7 SURVEY THAT WE DID, AND THIS IS BASED ON REAL DATA  
8 THAT -- THIS IS OF THE RECLAIMERS NATIONALLY, THAT IS  
9 ENDORSED BY APR, AN ORGANIZATION THAT TALCO IS A MEMBER  
10 OF, HAS A COMMITTEE THAT REVIEWS THESE NUMBERS. JUST  
11 LOOKING AT 1996 VERSUS 1995 FOR THE RECLAIMERS THAT  
12 CLAIMED, AND I BELIEVE THEY DID HANDLE CALIFORNIA  
13 RECYCLABLES IN 1995, YOU CAN SEE HERE YOU HAVE THE  
14 ARRAY, AND THEY'RE ALL OVER THE PLACE. THEY GO FROM  
15 MINUS 75 PERCENT UP TO PLUS 83 PERCENT, BUT THE AVERAGE  
16 FOR THIS GROUP WAS UP 24 PERCENT AS A GROUP. AND THIS  
17 IS, AGAIN, WHERE WE HAVE BEEN SAYING FOR A YEAR WHERE  
18 YOU SHOULD MEASURE BECAUSE THIS IS ACTUALLY THE PCR  
19 THAT IS PRODUCED, PCR THAT IS PRODUCED THAT GOES OUT  
20 THE DOOR THAT IS USABLE TO BE USED IN MANUFACTURING  
21 PROCESSES. AGAIN, THAT'S JUST -- THERE'S NOTHING  
22 VERIFIABLE ABOUT THAT, BUT SHOWS PLUS 24, WHICH IS 46  
23 PERCENT AWAY FROM MINUS 22.

24 NEXT POINT, STAFF'S THEORY THAT THE  
25 NUMBER OF POUNDS RECYCLED INCREASES WHEN THE RECYCLED



1 MATERIAL PRICE RUNS CONTRARY TO ACTUAL PRACTICE. I  
2 OFFER EXHIBIT 5(A), WHICH WAS PLASTICS NEWS, JANUARY  
3 1995, TWO VERY LARGE USERS OF PCR, POSTCONSUMER RESIN,  
4 ONE IN CALIFORNIA, CLOROX, AND PROCTOR AND GAMBLE.  
5 WHEN YOU READ THESE ARTICLES, YOU WILL SEE THAT THEY  
6 REDUCED THEIR CONSUMPTION IN 1995 PRECISELY BECAUSE THE  
7 PRICE WAS TOO HIGH.  
8 PCR, RECYCLED PLASTICS, IS LOOKED UPON AS  
9 AN ALTERNATIVE FEEDSTOCK AND USE BY PLASTIC PRODUCT  
10 MANUFACTURERS OR PLASTIC PACKAGING MANUFACTURERS  
11 INCREASES AS ITS PRICE DECREASES RELATIVE TO THE  
12 ALTERNATIVES, OFF SPEC AND REGRIND. SO IN 1995 I  
13 THINK, AS HAS BEEN ALLUDED TO EARLIER, THE PRICE WAS  
14 OUT OF SIGHT. IT WAS 32 CENTS A POUND. IT IS THE  
15 REASON WHY THE ONE RECLAIMER THAT WENT OUT OF BUSINESS  
16 IN CALIFORNIA WENT OUT OF BUSINESS, BECAUSE THEY HAD TO  
17 PURCHASE IT OFF THE CURB AT A TOTALLY UNREASONABLE  
18 PRICE. AND THEN THEY COULD NOT GET RID OF IT. PROCTOR  
19 AND GAMBLE AND CLOROX SAID, "YOU'RE NOT PASSING THE  
20 PRICE ON TO US. WE'RE GOING BACK TO VIRGIN."  
21 AND I WISH THAT TERRY BEDDELL (PHONETIC)  
22 OF CLOROX WAS HERE BECAUSE I TALKED WITH HIM THE OTHER  
23 DAY, AND HE CONFIRMED THAT THEY USED LESS IN '95 THAN  
24 THEY USED IN '96, AND THAT'S WHAT WE'RE TALKING ABOUT  
25 IS RECYCLING, REUSING IN END PRODUCTS THE AMOUNT OF



1 PLASTIC.  
2 POINT NO. 6, THE ATTEMPT TO DRAW  
3 CORRELATION BETWEEN MARKET VALUE OF BALED PLASTIC AND  
4 THE AMOUNT DOESN'T EVEN WORK IN CALIFORNIA FOR PET.  
5 PET RECYCLED, AS REPORTED IN THE DOC SURVEY, IN  
6 CALIFORNIA INCREASED 8.6 PERCENT IN 1996 WHILE THE  
7 MARKET VALUE DECREASED MORE THAN 75 PERCENT FROM 1995  
8 PRICE LEVELS. PET HAD ALMOST A VALUE OF ZERO IN 1996.  
9 WE WERE WORRIED THAT SOME WOULD BE LANDFILLED. I NEVER  
10 HEARD A REPORT ANYWHERE OF ANY MATERIAL BEING LAND-  
11 FILLED, BUT WE WERE FRANKLY WORRIED THAT IT WOULD BE.  
12 NOT WORRIED, AS SPECULATED PREVIOUSLY, THAT MAYBE SOME  
13 HDPE GOT LANDFILLED, BUT I'LL ADDRESS THAT ISSUE MORE  
14 IN A MINUTE.  
15 SEVEN, THE STATEMENT "THE 1995 HIGH PRICE  
16 RESULTED FROM A PRECIPITOUS DROP IN VIRGIN RESIN  
17 PRODUCTION" IS FALSE. THAT'S ON PAGE, I BELIEVE, 12-6  
18 OF YOUR AGENDA ITEM. THE FACTS FROM THE SOCIETY OF  
19 PLASTICS INDUSTRY COMMITTEE ON RESIN STATISTICS ARE  
20 THAT 1995 VIRGIN HDPE RESIN PRODUCTION DECREASED 1.7  
21 PERCENT FROM 1994 TO 1995. HARDLY PRECIPITOUS.  
22 POINT NO. 8, THE DOC'S OWN CURBSIDE DATA  
23 IS INCONSISTENT WITH THE SURVEY RESULTS. EXHIBIT 8(A)  
24 IS PAGE 4-7 FROM AGENDA ITEM 9 TO THE LOCAL ASSISTANCE  
25 AND PLANNING COMMITTEE STATES "OTHER ANCILLARY DATA ARE



1 ALSO INCONSISTENT WITH SURVEY RESULTS." THESE AREN'T  
2 MY WORDS. THESE ARE STAFF'S WORDS. FOR EXAMPLE, DOC  
3 CURBSIDE DATA SELF-REPORTED BY CURBSIDE PROGRAM  
4 OPERATORS INDICATE THAT THE NUMBER OF CURBSIDE PROGRAMS  
5 INCREASED, AGAIN NOT A NEGATIVE 22 PERCENT, INCREASED 3  
6 PERCENT IN 1996 TO 511.  
7 THIS DOC DATA ALSO INDICATES THAT THE  
8 VOLUME OF HDPE, AND I ADMITTEDLY DON'T KNOW WHAT THEY  
9 MEAN BY VOLUME, BUT THE VOLUME OF HDPE COLLECTED  
10 INCREASED, NOT DECREASED, INCREASED 17 PERCENT IN  
11 CALIFORNIA OVER THE PREVIOUS YEAR'S LEVEL. AGAIN, PLUS  
12 17 PERCENT, HOW DOES THAT CORRELATE OR BENCHMARK A  
13 MINUS 22 PERCENT IN THEIR RESULT?  
14 THIS INCREASE IS CONSISTENT WITH THE  
15 SURVEY THAT -- AND, CAREN, DO YOU HAVE THE -- I JUST AS  
16 SOON USE YOUR UPDATED VERSION OF OUR SURVEY OF THE 12  
17 CITIES OR WHATEVER BECAUSE I PUT JUST AS MUCH CREDENCE  
18 IN YOURS AS OURS RATHER THAN JUST SHOW THE ONES THAT  
19 ADD UP TO 23 PERCENT BECAUSE I WOULD LIKE TO MAKE THE  
20 POINT IF YOU HAVE IT. DEPENDING ON WHEN YOU CALL, WHO  
21 IT IS CALLING, AND WHO IT IS ANSWERING THE PHONE, YOU  
22 GET DIFFERENT NUMBERS.  
23 THE NUMBERS ATTRIBUTED TO APC ARE, IN  
24 FACT, NUMBERS THAT I GAVE TO THE LOCAL ASSISTANCE AND  
25 PLANNING COMMITTEE. AND JUST SO YOU HAVE THE FULL



1 DETAILS ON THAT, THEY WERE COLLECTED BY SUSY HABERLAND  
2 FORMERLY OF CASCADIA CONSULTING, WHO WORKED FOR  
3 CASCADIA IN 1995, CALLING THOSE CITIES, SHE SENT ME A  
4 LIST, I PRINTED IT. I DO NOT -- I CANNOT VERIFY ANY OF  
5 THE NUMBERS. YOUR STAFF CALLED UP SOME, FOUND OUT --  
6 WELL, OAKLAND, WE SAID 52 PERCENT, BUT YOU SAID 69  
7 PERCENT. LOOKS LIKE THE ONLY ONE THAT'S CONSISTENT.  
8 OUT OF 12 CALLS, SAN FRANCISCO SAID 23 PERCENT PLUS  
9 BOTH TIMES.  
10 SO MY POINT IS MY NUMBERS AREN'T GOOD,  
11 BUT I DON'T THINK THE OTHER ONES ARE NECESSARILY ANY  
12 BETTER. IF WE HAD A THIRD COLUMN AND SOMEBODY  
13 INDEPENDENT OF APC OR CIWMB CALLED, I'LL BET THE FARM  
14 THAT YOU WOULD GET AT LEAST HALF THE NUMBERS DIFFERENT  
15 THAN THE ONES YOU HAVE HERE. AND THAT'S MY POINT ON  
16 THE DOC SURVEY OF THE HDPE PROCESSORS. IT DEPENDED ON  
17 WHO THEY GOT. THEY HAD NOTHING TO BENCHMARK AGAINST.  
18 IN OTHER WORDS, WHAT IS RIGHT? WHEN A NUMBER IS GIVEN,  
19 WHAT'S RIGHT, WHAT'S WRONG.  
20 WHEN CASCADIA DID THE SURVEY, USE OF LOS  
21 ANGELES AS AN EXAMPLE, THEY WOULD HAVE CALLED LOS  
22 ANGELES -- I'LL MAKE THIS UP. LET'S SAY LOS ANGELES  
23 SAID WE DID 10 MILLION POUNDS. THEY CALL THE FIVE  
24 PROCESSORS. THE PROCESSORS ADD UP, AND THEY SAY 12  
25 MILLION POUNDS. CASCADIA WENT AND RECONCILED BACK AND



1 FORTH TO GET THE NUMBERS. ONE OF YOU CAN'T BE RIGHT.  
2 AND THIS WAS IMPOSSIBLE TO DO IN 1996 BECAUSE ONLY ONE  
3 SURVEY WAS DONE.  
4 I CAN'T SAY THE NUMBERS ARE WRONG BECAUSE  
5 I DON'T KNOW WHAT THE RIGHT NUMBERS ARE. I CAN'T SAY  
6 THAT THE NUMBERS ARE RIGHT BECAUSE WHO KNOWS WHAT'S  
7 RIGHT? IT'S TOO BAD THAT WE HAVE TO GO ON ANYBODY'S  
8 GUESS RATHER THAN THE FACTS.  
9 POINT NO. 9, COMPARISON WITH OREGON'S  
10 VERY SUCCESSFUL RPPC RECYCLING IS A VALID BENCHMARK.  
11 IT WASN'T TALKED ABOUT TODAY, BUT AT THE LOCAL  
12 ASSISTANCE AND PLANNING COMMITTEE IT WAS, AND IT WAS IN  
13 YOUR WRITE-UP. IT'S UNFORTUNATE THAT YOU DIDN'T GET  
14 ALL THE FACTS.  
15 LET'S LOOK AT OREGON, YOUR NEIGHBOR, A  
16 STATE THAT HAS A BOTTLE BILL, COVERS BASICALLY THE SAME  
17 MATERIALS AS YOURS DOES, A STATE THAT HAS A 33.3  
18 PERCENT RPPC RECYCLING RATE CALCULATED BY THE  
19 DEPARTMENT OF ENVIRONMENTAL QUALITY IN 1996.  
20 AGENDA ITEM 12 STATES OREGON'S RECOVERY  
21 OF HDPE MILK JUGS DECLINED 7 PERCENT IN 1996. THIS IS  
22 BASED ON EXHIBIT 9(A), WHICH YOU HAVE. AND I THINK  
23 I'VE HIGHLIGHTED NO. 2 MILK JUGS. THAT CATEGORY DID  
24 INDEED GO DOWN. WHAT THEY PUT IN THAT CATEGORY, 236  
25 TONS. NO. 2 OTHER, WHICH IS ALSO HDPE, BUT WHAT YOU



1 WEREN'T TOLD ABOUT, WENT UP 200 - - EXCUSE ME -- 328  
2 TONS. ALSO, IN THE HARDLY READABLE FOOTNOTE, THE TWO  
3 ASTERISKS SAY ABOUT 900 TONS OF PLASTIC BOTTLES ARE  
4 INCLUDED WITH MIXED PLASTIC. IF YOU LOOK AT MIXED  
5 PLASTIC, IT WENT UP 349 TONS FROM 1995 TO 1996. THE  
6 RPPC RATE IN OREGON WENT UP 10 PERCENT. IT WENT UP  
7 FROM 30 PERCENT TO 33 PERCENT IN 1996.  
8 SO THIS IS A TABLE, AS YOU KNOW, CAME  
9 FROM THE DEQ, AND THE BOTTOM LINE IS THAT OREGON  
10 RECYCLING WENT UP.  
11 LOOKING AT OREGON AS A BENCHMARK AGAIN,  
12 IF WE LOOK AT PER CAPITA RECYCLING, YOU HAVE A  
13 WONDERFUL -- I'LL AGREE WITH EDGAR. YOU HAVE A GREAT  
14 RECYCLING INFRASTRUCTURE. YOU HAVE GOOD, EFFICIENT  
15 COLLECTORS. YOU HAVE A LOT OF PROCESSORS. YOU HAVE  
16 RECLAIMERS. WHAT'S OREGON'S ADVANTAGE? THEY'RE  
17 FARTHER FROM THE MARKETS. THEY'VE GOT MORE RURAL  
18 TERRITORY. THEY PROBABLY DON'T HAVE AS MANY CURBSIDE  
19 PROGRAMS. CALIFORNIANS RECYCLED 1.25 POUNDS PER CAPITA  
20 OF MILK JUGS. OREGONIANS RECYCLE 2 POUNDS PER CAPITA,  
21 OR CALIFORNIA IS 38 PERCENT LESS. CULLET HDPE,  
22 OREGONIANS RECYCLE .89 POUNDS PER CAPITA. BY THE DOC  
23 NUMBERS, CALIFORNIA ONLY RECYCLED .68 POUNDS PER  
24 CAPITA, 24 PERCENT LESS. OREGONIANS RECYCLE 1.14  
25 POUNDS PER CAPITA OF MIXED PLASTIC. CALIFORNIA





1 RECYCLES 0.38 POUNDS PER CAPITA OF MIXED PLASTIC, 67  
2 PERCENT LESS.  
3 OREGON WITH A LOWER PERCENTAGE OF  
4 CURBSIDE COLLECTION, NO ARTIFICIAL SUBSIDIES TO INFLATE  
5 PET MARKET VALUE -- WHEN IT WAS ZERO, THEY GOT ZERO;  
6 WHEN IT WAS NINE, THEY GOT NINE -- AND FURTHER AWAY  
7 FROM THE MARKETS. THE MARKETS ARE TALCO, ECOPLAST IN  
8 SOUTHERN CALIFORNIA, MERLIN IN CANADA. THEY'RE FARTHER  
9 FROM THE MARKETS. HOW DID THEY EVER DO A 33-PERCENT  
10 RECYCLING RATE? IF YOUR RATE IS ONLY 23.2 PERCENT,  
11 WHAT WENT WRONG? YOU HAVE THE INFRASTRUCTURE. YOU  
12 HAVE GREAT COLLECTORS. YOU HAVE GREAT RECLAIMERS IN  
13 TALCO AND ECOPLAST, AND THERE ARE SOME OTHERS.  
14 IT WOULD SEEM IMPLAUSIBLE THAT A STATE  
15 THAT HAS DEMONSTRATED, AS I'VE SAT HERE AND LISTENED  
16 ALL DAY YOUR COMMITMENT, UNQUESTIONABLY YOU HAVE A  
17 STRONG COMMITMENT TO DIVERSION AND RECYCLING AND A  
18 50-PERCENT GOAL. WHY WOULD YOU NOT EQUAL OR EXCEED THE  
19 RATE IN OREGON?  
20 I CAN'T -- I DON'T HAVE AN ANSWER TO  
21 THAT. THE ONLY ONE THING THAT I CAN TRY TO PUT MY  
22 FINGER ON, AND WE'VE BEEN WORKING ON THIS, IS THAT IN  
23 OREGON THEY DO COLLECTION OF ALL PLASTIC BOTTLES RATHER  
24 THAN TYPICALLY JUST HDPE AND PET. THE POINT IS NOT TO  
25 GET THE OTHER PLASTIC BOTTLES, BUT TO INCREASE WHAT YOU



1 GET FOR ONES AND TWOS.

2 BOARD MEMBER CHESBRO: DIDN'T CASCADIA'S  
3 NUMBERS, THOUGH, LAST YEAR COME UP WITH THE SAME GAP  
4 BETWEEN CALIFORNIA'S RATE AND OREGON'S RATE? I MEAN  
5 THIS IS NOT THE FIRST TIME THAT WE'VE IDENTIFIED, SO  
6 THAT'S NOT REALLY A CRITICISM OF THIS YEAR'S  
7 METHODOLOGY. IT'S SOMETHING THAT EXISTED PREVIOUSLY.

8 MR. PERKINS: LAST YEAR IT WOULD BE THAT WE  
9 SAID THE RATE WAS, WHAT, 23.6 TO 25.2.

10 BOARD MEMBER CHESBRO: MY POINT IS THE GAP  
11 YOU'RE CITING HAS BEEN CITED ELSEWHERE, NOT JUST IN  
12 THIS PROCESS.

13 MR. PERKINS: AND I DON'T HAVE THE ANSWER TO  
14 WHY THERE IS A GAP.

15 BOARD MEMBER CHESBRO: NEITHER DO I.

16 BOARD MEMBER JONES: DOES IT HAVE SOMETHING TO  
17 DO WITH WHAT THE WASTE CHARACTERIZATION IS IN THE STATE  
18 OF OREGON VERSUS THE WASTE CHARACTERIZATION IN THE  
19 STATE OF CALIFORNIA? I DON'T SEE A LOT OF WINE BOTTLES  
20 HERE. I DON'T SEE A LOT OF THOSE TYPES OF THINGS.  
21 THEY MAY BE DRINKING MORE MILK OUT OF HDPE IN OREGON  
22 THAN WE'RE DRINKING IN CALIFORNIA BY RATIO. BUT I  
23 THINK THAT IT'S -- YOU KNOW, I THINK IT'S SCARY WHEN WE  
24 GET INTO THESE COMPARISONS, RON, OF ONE STATE TO  
25 ANOTHER WHEN WE DON'T HAVE A BASELINE WASTE



1 CHARACTERIZATION TO GO FROM, YOU KNOW.

2 MR. PERKINS: YEAH, WELL, THAT'S A GOOD POINT,  
3 BUT I THINK -- I'M NOT GOING TO BRING IT OUT HERE  
4 BECAUSE I'M TAKING TOO MUCH TIME.

5 BOARD MEMBER JONES: BUT YOU ASKED. YOU SAID  
6 SOMEBODY TELL ME, SO IT WAS AN IDEA I THOUGHT I'D  
7 SHARE.

8 MR. PERKINS: WHAT I WANT TO DO IS I JUST WANT  
9 TO MAKE THE POINT THAT THAT DATA DOES EXIST. THE DEQ  
10 DOES WASTE CHARACTERIZATIONS, AND I KNOW SOME PEOPLE  
11 QUESTION THE WASTE CHARACTERIZATIONS DONE BY CASCADIA,  
12 BUT YOU COULD, IF YOU WANT TO, YOU CAN LOOK AT WHAT'S  
13 IN THE WASTESTREAM IN CALIFORNIA AND IN OREGON. SOME  
14 MAY CONSIDER THE CREDIBILITY OF ONE OR THE OTHER GOOD,  
15 BAD, OR INDIFFERENT, BUT THE DATA IS THERE TO LOOK AT.  
16 OKAY.

17 CHAIRMAN PENNINGTON: CAN I ASK YOU HOW MUCH  
18 LONGER BECAUSE WE'VE GOT A LONG DAY TODAY?

19 MR. PERKINS: OKAY. WELL, I MEAN THIS IS  
20 IMPORTANT TO OUR CUSTOMERS, AND I DON'T THINK THAT  
21 ANYTHING SHOULD BE LEFT OFF THE TABLE THAT IS EVIDENCE.  
22 AND I WOULD -- I'M GETTING NEAR THE END.

23 CHAIRMAN PENNINGTON: OKAY.

24 MR. PERKINS: BUT I WANT ALL OF THIS TO BE ON  
25 THE RECORD BECAUSE WE BELIEVE STRONGLY IN IT.



1 CHAIRMAN PENNINGTON: WE KNOW THAT AND WE WANT  
2 IT ALL ON THE RECORD.

3 MR. PERKINS: JUST ONE THING THAT WE DID  
4 THAT'S INTERESTING, MIGHT BE -- AND I JUST WANT TO MAKE  
5 THE POINT THAT WHATEVER IT IS, 23, 24, 25, 26 PERCENT  
6 RECYCLING RATE FOR RPPC'S, THAT ISN'T BECAUSE THEY CAN  
7 ONLY BE RECYCLED AT THAT RATE. THAT IS WHAT THEY ARE  
8 BEING RECYCLED AT.

9 WE DID A CHARACTERIZATION -- A RECYCLABLE  
10 AND WASTE CHARACTERIZATION IN NAPA. I THINK MS. GOTCH  
11 IS AWARE WE WERE UP THERE. I CAN'T REMEMBER WHEN IT  
12 WAS. BUT IT WAS WITH THE COOPERATION OF THE NAPA  
13 VALLEY DISPOSAL COMPANY. WE LOOKED AT WHAT WAS IN THE  
14 RECYCLING BINS AND WHAT WAS IN THE GARBAGE AND CAME UP  
15 WITH A RECYCLING RATE FOR MATERIALS. AND FOR ALUMINUM  
16 CANS, THEY HAD A 59.6 RECYCLING RATE. FOR RPPC'S, THE  
17 PEOPLE IN NAPA WHO WERE ASKED TO DO ONE AND TWO BOTTLES  
18 ONLY, THEY WERE DOING, MUCH TO THEIR CREDIT, THEY'RE  
19 THE ONES WHO RECYCLE, 58.5 PERCENT RECYCLING RATE.

20 IT'S NOT THAT RPPC'S CAN'T BE RECYCLED  
21 ABOVE 25 PERCENT. MOST COMMUNITIES THAT ARE DOING ONES  
22 AND TWOS ARE PROBABLY DOING 50 TO -- HAVE A RECYCLING  
23 RATE LOCALLY OF 50 PERCENT OR MORE FOR RPPC'S, AND  
24 THOSE THAT ARE DOING ALL PLASTIC BOTTLES PROBABLY ARE  
25 AROUND 60, 65, AND THOSE WHO ARE DOING ALL RIGID



1 PLASTIC CONTAINERS WOULD BE HIGHER. SO CONTRARY TO  
2 WHERE SOMEBODY IS SAYING THERE'S SOME BARRIER, THERE'S  
3 SOME IMPEDIMENT, THOSE THAT DO INCLUDE THEM IN THEIR  
4 CURBSIDE PROGRAMS DO HAVE A RECYCLING RATE ORDERS OF  
5 MAGNITUDE ABOVE 25 PERCENT.  
6 SINCE 15.5 PERCENT OF ALL U.S. HOUSEHOLDS  
7 WITH CURBSIDE COLLECTION ARE IN CALIFORNIA, IT'S  
8 REASONABLE TO ASSUME THAT 15.5 PERCENT OF ALL HDPE  
9 RECYCLED IN THE U.S., WAS RECYCLED IN CALIFORNIA. THIS  
10 CALCULATION YIELDS AN ESTIMATE OF 90 MILLION POUNDS.  
11 YOU HAVE THAT AS EXHIBIT 10(B). WHAT THEY'RE SAYING IS  
12 YOU'RE JUST LIKE EVERYBODY ELSE, YOU ARE NO BETTER, YOU  
13 ARE NO WORSE -- I'M CONVINCED YOU ARE BETTER. THIS  
14 SAYS IT OUGHT TO BE 90 MILLION, NOT 60 MILLION. I  
15 DON'T THINK IT SHOULD BE -- I MEAN 90 MILLION, AND  
16 WE'RE SAYING WE THINK THE RIGHT NUMBER IS PROBABLY  
17 SOMEWHERE AROUND 80 MILLION. YOU HAVE THAT AS AN  
18 EXHIBIT.  
19 THE ONE LAST ITEM, BECAUSE EDGAR BROUGHT  
20 IT UP AND I GUESS RICK DID, AND THERE'S THIS  
21 CONVENTIONAL WISDOM THAT PLASTICS RECYCLING IS LIMITED  
22 BY LACK OF MARKETS. IF HAVE A PRESS RELEASE HERE THAT,  
23 I THINK, CAME OUT IN AUGUST FROM THE ASSOCIATION --  
24 BILL O'GRADY WILL PROBABLY RECOGNIZE THIS --  
25 ASSOCIATION OF POSTCONSUMER PLASTIC RECYCLERS.



1 HEADLINE, "PLASTIC RECYCLING CONTINUES TO GROW.  
2 RECYCLERS URGE FURTHER INCREASE IN SUPPLY." JERRY  
3 CLACE, WELL-RESPECTED LIKE JOHN SHEDD, MEMBER OF APR,  
4 "MOST PLASTIC RECYCLERS CANNOT GET ENOUGH MATERIAL TO  
5 KEEP THEIR PLANTS RUNNING AT CAPACITY." I WILL LEAVE  
6 THIS WITH YOU. IT'S NOT IN YOUR PACKAGE. THIS IS A  
7 PRESS RELEASE BY NOT APC, BUT APR, THAT TALCO IS A  
8 MEMBER OF.  
9 I WOULD THEN -- AS A QUESTION ON THE  
10 MARKETS, BILL O'GRADY, WHO SPOKE EARLIER, I BELIEVE  
11 THIS IS OUT OF WASTE NEWS ABOUT A MONTH AGO, BILL  
12 O'GRADY IS QUOTED, "THE MARKET RIGHT NOW HAS TO COME  
13 BACK -- HAS TO COME BACK TO SOME SEMBLANCE OF REALITY.  
14 PRICES WERE PUSHED UP MOSTLY BECAUSE OF BIG PRESSURE ON  
15 THE DOMESTIC SIDE FROM NEW PLAYERS IN THE MARKET."  
16 AGAIN, WE THEN HAVE FROM MARKETS IN  
17 CALIFORNIA -- I WON'T READ THEM -- BUT I HAVE FIVE  
18 LETTERS FROM CHAMPION POLYMERS WHO USES POSTCONSUMER  
19 RESIN, FROM MEL WEISS, WHO'S THE LARGEST EXPORTER  
20 OF RECYCLED PLASTIC ON THE WEST COAST, FROM EPIC  
21 PLASTICS, WHO STEVE KNOWS WELL, IN RICHMOND WHO'S  
22 EXPANDING RAPIDLY THEIR USE OF PCR, FROM RARICK  
23 (PHONETIC) PACIFIC THAT MANY OF KNOW MAKE RECYCLING  
24 BINS WITH END USE PRODUCT MADE FROM RECYCLED PLASTIC,  
25 THAT ALL SAY WE NEED MORE PLASTIC. WE CANNOT GET IT.



1 WE CANNOT GET IT IN CALIFORNIA.  
2 THE FINAL ITEM I WOULD INCLUDE ON THAT  
3 ITEM IS THAT IF THERE'S ALREADY TOO MUCH IN CALIFORNIA  
4 AND IT'S BEING STOCKPILED, THEN WHY IS TALCO GOING UP  
5 TO OREGON AND WASHINGTON LOOKING FOR MATERIAL? THEY  
6 ARE BUYING HDPE FROM GARTEN SERVICES IN SALEM, OREGON,  
7 AND HAVE HAD A SALESPERSON UP IN THAT TERRITORY NOW FOR  
8 THE LAST -- I BELIEVE THE LAST COUPLE YEARS LOOKING FOR  
9 MATERIAL. I'M LED TO BELIEVE THAT THERE'S NO MARKET.  
10 I COULD GIVE OTHER EXAMPLES OF OTHER PEOPLE COMING INTO  
11 THE STATE LOOKING FOR MATERIAL AND END MARKETS IN  
12 CALIFORNIA GOING OUTSIDE THE STATE TRYING TO FIND  
13 MATERIAL.  
14 AND I SAID THIS TO EVAN EDGAR YESTERDAY  
15 ON THE PHONE. I'LL SAY IT AGAIN TODAY. WE HAVE A  
16 TECHNICAL ASSISTANCE CONSULTANT IN CALIFORNIA. IF  
17 ANYBODY CANNOT MARKET RPPC'S THAT MEET SPEC -- YOU  
18 CAN'T MAKE A SILK PURSE OUT OF A SOW'S EARS. I'M NOT  
19 TALKING ABOUT THAT DON'T MEET SPEC -- I WISH THAT THEY  
20 WOULD CALL OUR TECHNICAL ASSISTANCE CONSULTANT, GAMBLE  
21 AND ROBERTS IN SAN FRANCISCO, AND THEY WILL HELP  
22 FACILITATE WHAT APPARENTLY IS THE MARKETS AREN'T  
23 TALKING TO THE SOURCES IS WHAT IT APPEARS.  
24 IN CLOSING, MY PRINCIPAL POINT THAT I  
25 WISH TO CONVEY BY MY TESTIMONY IS THAT SERIOUS QUESTION



1 REMAINS CONCERNING THE VALIDITY OF THE HDPE RECYCLING  
2 VOLUMES FOR 1996. THERE HAS BEEN NOTHING, NO  
3 BENCHMARKS PRODUCED BY YOUR STAFF THAT COME ANYWHERE  
4 NEAR MINUS 22 PERCENT. I DON'T THINK IT WAS UP 23  
5 PERCENT LIKE SOME OF MY TESTIMONY. I THINK IT'S, YOU  
6 KNOW, SOMEWHERE CLOSE TO FLAT, BUT NOT MINUS 22  
7 PERCENT. FAILURE TO UNDERTAKE ANY VALIDATION ACTIONS  
8 TO COMPLETE -- AND THE SURVEY IS INCOMPLETE BECAUSE  
9 THERE ARE SUPPOSEDLY A HUNDRED 35 HANDLERS AND ONLY 90  
10 SAID THEY HAD PLASTIC, HDPE -- BENCHMARK THE DEPARTMENT  
11 OF CONSERVATION HDPE RECOVERY VOLUME ESTIMATE RENDERS  
12 THE ENTIRE RPPC RECYCLING RATE CALCULATION INVALID.  
13 UNTIL FURTHER ANALYSIS OF OUR SERIOUS QUESTIONS ARE  
14 ADDRESSED, WE FIND NO GOOD POLICY BASIS TO ADOPT A  
15 QUESTIONABLE RATE.  
16 WITH THAT, WE REQUEST THAT ACTION ON THE  
17 RPPC RECYCLING RATE BE PUT OVER UNTIL FURTHER ANALYSIS  
18 OF THE DOC'S HDPE SURVEY IS ACCOMPLISHED. WE HAVE MADE  
19 GOOD FAITH OFFERS TO RECONCILE THE ADMITTEDLY LARGE  
20 DISPARITIES BETWEEN THE DOC AND APC LIST OF HDPE  
21 HANDLERS. IT WAS DESCRIBED BY YOUR STAFF. AND TO  
22 THEIR CREDIT, THEY TRIED TO GET DOC TO SIT DOWN AND  
23 LOOK AT OUR LIST. RIGHT NOW WE'RE AT A STALEMATE. AND  
24 I OFFER THAT BECAUSE THERE IS A WAY TO MOVE FORWARD TO  
25 PRODUCE A DEFENSIBLE RPPC RECYCLING RATE. AND I THANK





1 YOU FOR BEARING WITH ME FOR SO LONG, BUT THERE'S A LOT  
2 OF DATA TO THE CONTRARY ON WHAT YOU HAVE. SO I'LL  
3 ANSWER ANY QUESTIONS OR I'LL SIT DOWN.

4 CHAIRMAN PENNINGTON: MR. JONES.

5 BOARD MEMBER JONES: MR. PERKINS, I HAVE SOME  
6 QUESTIONS, ALTHOUGH YOU WENT THROUGH THE LIST SO QUICK,  
7 I'M NOT SURE I HAVE THEM ALL RIGHT, SO BEAR WITH ME.  
8 WANT TO START WITH YOUR LAST ONE.

9 YOU KNOW, THERE ARE LOT OF THINGS THAT  
10 GOT THROWN AS TO WHY THIS IS A SKEWED NUMBER. YOUR  
11 ASSERTION IS THAT WE CAN'T APPROVE THIS BECAUSE IT'S  
12 NOT VALID OR FOR WHATEVER REASON. I GUESS BEFORE I  
13 WANT TO TALK ABOUT THE MARKETS, I WANT TO ASK YOU.  
14 WHEN YOU SAID YOU WROTE THAT LETTER TO THE CHAIRMAN  
15 JUST BEFORE OUR SAN BERNARDINO MEETING, WHENEVER IT  
16 WAS, THE APRIL MEETING, YOU SAID YOU WERE AFRAID OF  
17 INACCURACIES.

18 WE'VE GOT OF ALL THE PEOPLE CALLED, ONE  
19 ENTITY DIDN'T RESPOND. WAS IT THAT YOU ARE AFRAID THAT  
20 THERE WOULD BE PEOPLE THAT WERE RESPONDING THAT DIDN'T  
21 RESPOND, OR WERE YOU AFRAID THAT THE NUMBER THAT WOULD  
22 BE GIVEN, WHETHER IT'S TO CASCADIA, TO YOU, TO DOC  
23 STAFF, OR TO THE WASTE BOARD, COULD BE DIFFERENT  
24 DEPENDING UPON WHO ANSWERED THE PHONE?

25 MR. PERKINS: MY WHOLE CONCERN, AND DOC



1 DESERVES CREDIT FOR GETTING AS MANY AS THEY DID, BUT --  
2 AND I DON'T MEAN THIS TO BE DEROGATORY TO ANYBODY  
3 BECAUSE I WOULD HAVE THE SAME PROBLEM. IF I CALL UP  
4 AND SAY HOW MANY -- AND YOU'RE OPERATING A MRF AND  
5 YOU'VE GOT A BALER DOWN OUT THERE AND I'M FROM THE  
6 STATE AND I CALL YOU UP AND SAY, OR IF I'M FROM  
7 ANYWHERE, HOW MANY RPPC'S DID YOU RECYCLE IN 1996?

8 BOARD MEMBER JONES: I'D TELL YOU TO WAIT.  
9 I'D GO OUT, I'D PICK OUT A BINDER THAT'S IN A FILE  
10 CABINET. I OPEN IT UP. I MAY ASK YOU WHAT EXACTLY IS  
11 RPPC. TELL ME WHICH OF THE COMMODITIES BECAUSE I'VE  
12 COLLECTED SIX OF THEM. IF YOU TELL ME, THEN YOU GET  
13 THAT NUMBER, AND IT'S PRETTY SIMPLE MATH.  
14 WHAT I'M SAYING, RON, IS I DON'T KNOW IF  
15 EVERY ONE OF THE OPERATIONS WORK LIKE THAT, BUT I RAN  
16 38 OF THEM, AND I KNOW THAT 38 OUT OF THIS HUNDRED WORK  
17 LIKE THAT. AND I DON'T THINK PEOPLE INDISCRIMINATELY  
18 JUST GIVE A NUMBER. ALTHOUGH I KNOW I'VE HAD  
19 COMPETITORS THAT GIVE NUMBERS THAT I WATCH THEIR  
20 OPERATION SOMETIMES, AND I THINK THOSE NUMBERS ARE TOO  
21 HIGH BECAUSE I SEE WHAT THEY'RE MOVING OUT OR USED TO  
22 IN ANOTHER LIFE.  
23 MY OTHER THING, YOU HAD SAID THAT 17  
24 PERCENT OF ALL ITEMS HAD INCREASED. ALL PLASTICS  
25 ITEMS? OR I DIDN'T CATCH PART OF THAT.



1 MR. PERKINS: WHEN I USED 17, I THINK I WAS  
2 QUOTING DOC SAYING THERE HAD BEEN A 17 PERCENT --  
3 17-PERCENT INCREASE IN THE VOLUME OF HDPE IN 1996 FROM  
4 1995. THAT WAS TAKEN OUT OF THE AGENDA ITEM.

5 BOARD MEMBER JONES: OKAY.

6 MR. PERKINS: IT'S IN YOUR AGENDA ITEM.

7 MS. TRGOVCICH: CURBSIDE, SELF-REPORTED.

8 BOARD MEMBER JONES: CURBSIDE, SELF-REPORTED,  
9 AN INCREASE OF 17 PERCENT. OKAY.

10 THE OTHER ISSUE WAS YOU SAY, YOU KNOW,  
11 WE'VE INCREASED CURBSIDE RECYCLING PROGRAMS FROM 511 TO  
12 WHATEVER THE NUMBER IS NOW. BUT HOW MANY OF THOSE  
13 CURBSIDE PROGRAMS OR HOW MANY OF THE EXISTING 511 WENT  
14 FROM WEEKLY PICKUP TO EVERY-OTHER-WEEK PICKUP BECAUSE  
15 OF THE COST OF COLLECTION TO THE RATEPAYER AND THE LACK  
16 OF MARKETS?

17 MR. PERKINS: I DO NOT KNOW.

18 BOARD MEMBER JONES: BECAUSE THAT'S ANOTHER  
19 ISSUE THAT, -- I DON'T THINK YOU CAN USE IT AS SAYING,  
20 YOU KNOW, MORE CURBSIDE PROGRAMS HAVE COME ON BECAUSE  
21 YOU DON'T KNOW HOW MANY DAYS OF SERVICE THEY'RE  
22 PROVIDING IN A YEAR'S PERIOD. ARE THEY PROVIDING 52?  
23 ARE THEY PROVIDING 26? THAT'S GOING TO HAVE A  
24 DIFFERENCE, AND THAT'S PROVEN THAT IF YOU ARE NOT THERE  
25 EVERY WEEK, YOU'RE NOT GOING TO GET THE SAME AMOUNT OF



1 MATERIAL.

2 MR. PERKINS: THAT AND A LOT OF THE OTHER  
3 NUMBERS THAT I GAVE PLUSES FOR, REMEMBER, I'M NOT  
4 SAYING THAT I THINK THAT IT WAS UP FROM THE 80 MILLION  
5 LAST YEAR. I'M SAYING THAT IT CERTAINLY CAN'T BE A  
6 MINUS 22 WHEN YOU LOOK AT EVERYTHING ELSE GIVES YOU  
7 SOME KIND OF A PLUS. EVEN WHEN THEY RESURVEYED THE  
8 GROUP THAT WE SURVEYED, THEY CAME UP WITH PLUS 8  
9 PERCENT FROM, I THINK THEY SAID, AND CORRECT ME IF I'M  
10 WRONG, CITIES THAT CONSTITUTE 18 PERCENT OF THE  
11 POPULATION OF THE STATE. SO IF 18 PERCENT OF THE  
12 POPULATION OF THE STATE WAS UP 8 PERCENT, THE OTHER 82  
13 MADE IT GO DOWN 30 PERCENT, PLUS 8 AND MINUS 22? IT  
14 JUST DOESN'T -- IT JUST DOESN'T JIVE.  
15 AND WITH THE NATIONAL -- TO SOME EXTENT,  
16 AND NOT TOTALLY -- YOU ARE A REFLECTION BACK AND FORTH  
17 OF WHAT HAPPENS NATIONALLY. AND WE'RE NOT TALKING  
18 ABOUT THE RATE HERE. WE'RE TALKING ABOUT THE POUNDS OF  
19 HDPE NATIONALLY AS ENDORSED BY APR, THE GROUP THAT JOHN  
20 SHEDD BELONGS TO, WENT UP 10.6 PERCENT IN 1996 FROM  
21 1995.  
22 SO WHILE 82 PERCENT -- AGAIN, I THINK YOU  
23 ARE 12, 13 PERCENT OF THE NATION. YOU WENT DOWN 22  
24 PERCENT AND THE REST OF THE NATION HAD TO OFFSET YOU  
25 AND GO UP 33 PERCENT? I DON'T HAVE ANY DATA TO SAY



1 THAT THAT'S TRUE. I DON'T KNOW OF ANY GREAT  
2 INITIATIVES IN OTHER STATES IN THE UNITED STATES. YOU  
3 ARE DOING FAR MORE INITIATIVES THAN THE AVERAGE STATE  
4 IN THE UNITED STATES AND TO YOUR CREDIT.

5 MS. TRGOVCICH: MR. CHAIRMAN AND MEMBERS, JUST  
6 TO CLARIFY, I THINK THERE'S A LOT OF DISCUSSION GOING  
7 ON HERE ABOUT NUMBERS. WE HAVE -- THERE IS A  
8 DISTINCTION TO BE MADE BETWEEN THE CURBSIDE COLLECTION  
9 NUMBERS, AS MEMBER JONES IS TRYING TO MAKE, AND THE  
10 NUMBERS REPORTED BY THE PROCESSORS.  
11 THE 18 PERCENT OF THE POPULATION REPORTED  
12 IN OUR SURVEY OF THE MUNICIPALITIES THAT WAS PUT UP AND  
13 THE CHART THAT YOU USED, RON, THOSE WERE NOT VOLUMES.  
14 THOSE WERE JURISDICTIONS THAT REPORTED AN INCREASE.  
15 AND WHAT THAT IS IS BASED ON COLLECTION. THAT IS NOT  
16 BASED ON WHAT THIS SURVEY WAS BASED ON THAT DOC CARRIED  
17 OUT WHICH WAS AT THE PROCESSOR LEVEL. MATERIAL FINDING  
18 ITS WAY INTO THE MARKETPLACE. THERE IS A STRONG  
19 DISTINCTION TO BE MADE.

20 MR. PERKINS: LET ME FOLLOW UP ON THAT BECAUSE  
21 IT'S STILL AN APPLES TO APPLES THOUGH BECAUSE THEY WERE  
22 COMPARING TO THEIR, LET'S CALL IT, DIRTY -- WHAT BILL  
23 O'GRADY WAS TALKING ABOUT EARLIER, THIS IS STUFF THAT'S  
24 ON THE TRUCK. MAY BE CLEAN. THIS IS -- BUT EACH YEAR  
25 WAS THE SAME. THEY WERE ASKED -- IT'S AN 8 PERCENT,



1 LET'S CALL IT, UNCLEANED, UNBALED, PROCESSED MATERIAL.  
2 IT'S AN APPLES-TO-APPLES COMPARISON.  
3 50 IT WAS UP 8 PERCENT. THE STUFF,  
4 HOWEVER THEY REPORTED IT, THEY WERE REPORTING IT ON THE  
5 SAME BASIS AS THEY DID THE YEAR BEFORE. IT'S A  
6 DIFFERENT ISSUE FROM THE VALID ISSUE YOU BRING UP.  
7 THERE IS YIELD LOSS. AND WE TOOK THAT INTO ACCOUNT IN  
8 '95, AND THOSE NUMBERS WOULD BE LESS BY THE 12-PERCENT  
9 YIELD LOSS, BUT THEY WOULD STILL BE 8 PERCENT HIGHER  
10 THAN WHATEVER THEY HAD LAST YEAR. APPLES-TO-APPLES  
11 COMPARISON.

12 BOARD MEMBER JONES: FINALLY, AND THEN I'M  
13 DONE, WHEN WE TALK ABOUT MARKETS, OKAY, SOMEBODY THAT  
14 SAYS I HAVE CAPACITY FOR. A MILLION POUNDS OF PLASTIC,  
15 AND I DON'T WANT TO SPEND ONE CENT PER POUND, AS  
16 OPPOSED TO SOMEBODY THAT IS A BROKER THAT SAYS I WILL  
17 GET YOU 8 CENTS A POUND, A COLLECTOR AND AN  
18 INTERMEDIATE PROCESSOR THAT'S BALED THAT MATERIAL WILL  
19 GIVE IT TO A BROKER AS OPPOSED TO GOING DOWN THE STREET  
20 FOR A PENNY. OKAY.  
21 SO MARKETS ARE DRIVEN WITH WHAT  
22 CONDITIONS ARE PUT ON THE COLLECTORS AND WHAT PRICE IS  
23 BEING PAID. IF IT'S AN EQUITABLE PRICE WHERE ALL  
24 THINGS ARE CONSIDERED EQUAL, I CANNOT -- YOU KNOW, I  
25 DON'T KNOW. YOU SAY THAT TALCO HAS GOT TO GO TO



1 OREGON. YOU ALSO SAY OREGON HAS NO MARKETS. SO THE  
2 LOGIC -- YOU SAY THEY WERE TOUGH TO GET TO MARKETS. SO  
3 IF THE PRICE OFFERED IN OREGON IS A PENNY, BUT THE  
4 PRICE TO EXPORT IT DOWN TO CALIFORNIA TO TALCO IS 3  
5 CENTS, I THINK THAT OPERATOR HAS ENOUGH SENSE TO KNOW  
6 I'M GOING TO PICK UP THE EXTRA TWO CENTS AND SEND IT  
7 DOWN TO CALIFORNIA. YOU KNOW WHAT I'M SAYING?  
8 I HAVE A LOT OF PROBLEM WHEN PEOPLE TALK  
9 ABOUT MARKETS BECAUSE MARKETS ARE DRIVEN ON WHAT  
10 CONDITIONS WILL THE MARKET ACCEPT THE MATERIAL IN AND  
11 HOW MUCH WILL THEY PAY FOR IT. AND WHEN WE TALK ABOUT  
12 VIRGIN RESIN SALES ONLY WENT DOWN 1.7 PERCENT, THAT'S  
13 OF HOW MANY BILLION POUNDS -- I MEAN HUNDREDS OF -- I  
14 MEAN BIG.

15 MR. PERKINS: PROBABLY TWO AND A HALF BILLION  
16 POUNDS.

17 BOARD MEMBER JONES: TWO AND A HALF BILLION  
18 POUNDS WENT DOWN 1.7 PERCENT. WHERE DID THE COST GO  
19 DOWN? VOLUME MAY HAVE GONE DOWN, AND BECAUSE THE  
20 VOLUME WENT DOWN, WHAT DID THE COST DROP TO OF THE  
21 VIRGIN MATERIAL ON AVERAGE ON THE VIRGIN MATERIAL?

22 MR. PERKINS: WELL, THE PRICE WENT UP, AND I  
23 THINK THAT WAS THE POINT STEVE WAS TRYING TO MAKE, IF  
24 STEVE WROTE THAT, WAS THAT THE REASON THAT VIRGIN WENT  
25 UP WAS BECAUSE -- I MEAN THE REASON THAT RECYCLED HDPE



1 WENT UP TO ROUGHLY IN THE LOW 30S IN 1995 WAS BECAUSE  
2 OF THE PRECIPITOUS DROP IN VIRGIN PRODUCTION. WHEN  
3 THERE'S A DROP -- WHEN VIRGIN PRODUCTION WENT DOWN, THE  
4 PRICE FOR VIRGIN WENT UP.

5 BOARD MEMBER JONES: ABSOLUTELY. SO I MEAN  
6 SOMETIMES I THINK SOME OF THE -- WHILE YOU ARE TRYING  
7 TO GET THE STUFF ON THE RECORD, I CAN APPRECIATE THAT,  
8 I MEAN WE ALL HAVE OUR REASONS, BUT I THINK THAT, YOU  
9 KNOW, THIS INDUSTRY THAT YOU REPRESENT THAT MAKES THE  
10 VIRGIN MATERIAL THAT CONTROLS HOW THE MARKETS SURVIVE  
11 BASICALLY, BECAUSE IF THAT VIRGIN MATERIAL IS OFFERED  
12 FOR NEXT TO NOTHING, THEN ANY RECOVERED MATERIAL HAS NO  
13 VALUE.

14 MR. PERKINS: I HOPE IT ISN'T NEXT TO NOTHING  
15 OR THEY WOULDN'T --

16 BOARD MEMBER JONES: IF THEY PUT OUT ENOUGH OF  
17 IT, IT CAN BE PRETTY CHEAP. YOU KNOW THAT. I KNOW  
18 THAT. I MEAN THAT'S WHY WE HAVE THIS ARGUMENT.

19 MR. PERKINS: I DON'T WANT TO LEAVE -- YOU  
20 MENTION ONE AND THREE CENTS. I DON'T LIKE TO TALK  
21 ABOUT PRICES BECAUSE I DON'T BUY AND SELL AND TALCO  
22 DOES. BUT IF YOU LOOK, FOR EXAMPLE, IN WASTE NEWS, IN  
23 WASTE NEWS OR RECYCLING TIMES, SO RIGHT NOW THE  
24 MATERIALS THAT WE'RE TALKING ABOUT, AND LET'S KEEP IT  
25 TO RPPC'S, WHAT WE'RE TALKING ABOUT, NATURAL HDPE RIGHT





1 NOW PROBABLY HAS A VALUE OF 15 CENTS A POUND. FIFTEEN

2 SOUNDS LIKE A LOW NUMBER. I WANT TO PUT IT ON TONS.

3 BOARD MEMBER JONES: IT'S A GOOD NUMBER.

4 FIFTEEN CENTS IS A GOOD NUMBER, BUT WHAT PART OF THE

5 STATE? WHAT PART OF THE REGION? BECAUSE THE STATE OF

6 CALIFORNIA IN WASTE NEWS IS BROKEN INTO THREE AREAS.

7 IT'S L.A. AND THE WEST. SO WHEN YOU SAY 15 CENTS A

8 POUND, THAT MIGHT BE AT THE PIER IN LONG BEACH. THAT

9 MIGHT BE OUTSIDE OF TALCO'S DOOR. I DON'T KNOW THAT.

10 BUT I'LL GUARANTEE YOU THAT THERE ARE OPERATORS IN THE

11 STATE OF CALIFORNIA THAT COLLECT THAT STUFF THAT AREN'T

12 GETTING 15. THEY'RE GETTING NINE, GETTING SIX.

13 MR. PERKINS: I CAN'T SPEAK TO THAT. YOU'RE

14 PROBABLY ABSOLUTELY RIGHT, BUT I'M SAYING THAT THERE

15 ARE MARKETS. WHEN YOU LOOK AT 15 OR EVEN 10 OR 12

16 CENTS A POUND FOR PLASTIC, WHEN YOU'RE GETTING ZERO,

17 ONE, TWO CENTS A POUND FOR GLASS, I MEAN THEY'RE NEVER

18 AS GOOD WE'D ALL LIKE THEM TO BE, BUT THEY'RE THERE.

19 THEY'RE THERE. WE HAVE THE LETTERS. THEY'RE REAL. I

20 MEAN YOU KNOW THAT EPIC PLASTICS IS REAL. THEY'RE

21 REAL. THEY'RE REALLY PRODUCING; THEY'RE BUYING. AND

22 IT'S NOT UP TO ME. IT'S BETWEEN EPIC OR TALCO AND, YOU

23 KNOW, YOUR CONSTITUENCY. IT'S UP TO THEM WHAT THE

24 PRICE IS.

25 CHAIRMAN PENNINGTON: MRS. GOTCH ACTUALLY HAS



1 A QUESTION.

2 BOARD MEMBER GOTCH: QUICK QUESTION. MR.  
3 PERKINS, WHAT HAS APC DONE IN THIS STATE IN THE LAST  
4 YEAR TO ACTIVELY ENCOURAGE OR PROMOTE RECYCLING AND  
5 MARKET DEVELOPMENT OPPORTUNITIES?

6 MR. PERKINS: THANK YOU. GAVE ME A GOOD  
7 REMINDER. TODAY I STILL SEE ON THE LIGHT RAIL, THE  
8 WHOLE TRAIN SAYS "CHECK THE NECK. RECYCLE ALL YOUR  
9 PLASTIC BOTTLES." I DON'T KNOW WHAT SACRAMENTO'S  
10 RECYCLING RATE IS, BUT THEY CAN RECYCLE 80 PERCENT OF  
11 THEIR RPPC'S. CHECK THE NECK, WE SUPPORTED THAT  
12 PROGRAM AND PROMOTION WITH THE GOOD COOPERATION OF THE  
13 CITY. WE DID THE SAME THING IN LOS ANGELES.  
14 I WOULD GUESS THAT -- I KNOW ANOTHER  
15 SITUATION YOU ARE FAMILIAR WITH, AND THAT'S MBA  
16 POLYMERS. WE CAN SOMETIMES JUST KIND OF GET HUNG UP IN  
17 PACKAGING WITH THIS RPPC, BUT APC HAS DURABLE PLASTIC  
18 OPERATIONS. WE PUT IN IN THE MILLIONS IN MBA. I THINK  
19 YOU ARE PUTTING IN A LOT OF MONEY, AGAIN MUCH TO YOUR  
20 CREDIT. BUT WE HAVE BEEN FOR FIVE OR SIX YEARS. THEY  
21 ARE WHERE THEY ARE TODAY BECAUSE OF APC MONEY.  
22 WE DID THIS NAPA CAPTURE RATE STUDY, NOT  
23 FOR THE PURPOSE OF BRINGING IT HERE, BUT FOR THE  
24 PURPOSE OF WE WANT TO GET SOME CREDIBLE, DEFENSIBLE  
25 DATA TO GO TO SOME OF EDGAR'S CONSTITUENCY AND SAY,



1 "HERE. IF YOU GO TO ALL PLASTIC BOTTLES, YOU WILL GET  
2 MORE OF WHAT YOU WANT." I KNOW YOU WANT ONES AND TWOS.  
3 WE DID THAT STUDY.  
4 WE HAVE A TAP CONSULTANT, TECHNICAL  
5 ASSISTANCE PROGRAM CONSULTANT, ON RETAINER THAT IS  
6 THERE TO ANSWER QUESTIONS FROM ANYBODY AT ANY TIME -- I  
7 SHOULDN'T SAY THAT -- MAYBE 12 HOURS A DAY RELATING TO  
8 PLASTICS RECYCLING OR ANYTHING TO DO WITH PLASTICS. A  
9 LOT OF THINGS THAT WE DO, WE CAN'T DO IT IN EVERY  
10 STATE, BUT WHAT WE'VE DONE IN OREGON ON THE DEVELOPMENT  
11 OF THE PRF --

12 BOARD MEMBER GOTCH: ACTUALLY I WAS JUST  
13 CURIOUS ABOUT THIS STATE BECAUSE I KNOW I'VE ASKED YOU  
14 THIS QUESTION IN THE PAST, AND I'VE HAD ANSWERS FOR  
15 OTHER STATES LIKE OREGON, BUT SPECIFICALLY THIS STATE.  
16 I WAS LOOKING FOR A BIG, MEANINGFUL, RESPONSIBLE  
17 PROMOTION IN THIS STATE.

18 BOARD MEMBER RELIS: MR. CHAIR, I DON'T KNOW  
19 IF WE'RE DONE WITH THE FORMAL TESTIMONY. IS THERE  
20 ANYONE ELSE WHO'S ASKED TO SPEAK?

21 CHAIRMAN PENNINGTON: NO, THERE'S NO ONE ELSE.  
22 I THINK MR. CHESBRO HAS A QUESTION. DO YOU HAVE A  
23 QUESTION?

24 BOARD MEMBER RELIS: IT'S NOT A QUESTION. I  
25 DO HAVE QUESTIONS OF STAFF.



1 BOARD MEMBER CHESBRO: ACTUALLY I WAS GOING TO  
2 TRY TO MOVE THIS INTO THE ACTION MODE MYSELF, BUT IT  
3 SOUNDS LIKE MAYBE THAT'S WHAT PAUL WAS ATTEMPTING TO DO  
4 AS WELL.

5 BOARD MEMBER RELIS: I'D LIKE TO HEAD IN THAT  
6 DIRECTION.

7 MR. O'GRADY: MR. CHAIRMAN, WOULD IT BE  
8 PRUDENT IF TALCO -- WOULD YOU LIKE TALCO TO ADDRESS  
9 SOME OF THE REFERENCES THAT RON MADE?

10 CHAIRMAN PENNINGTON: NO. I THINK WE'VE HEARD  
11 ENOUGH. THANK YOU.

12 BOARD MEMBER RELIS: I'D LIKE TO JUST ASK,  
13 WE'VE HEARD A CONSIDERABLE AMOUNT OF TESTIMONY FROM MR.  
14 PERKINS, AND I'D LIKE TO PUT A DIRECT QUESTION TO  
15 STAFF. IS THERE ANYTHING THAT HAS BEEN STATED IN -- I  
16 KNOW YOU'VE HAD MANY BACK-AND-FORTH DISCUSSIONS WITH  
17 APC OVER THIS. IS THERE ANYTHING THAT YOU'VE HEARD  
18 TODAY THAT WOULD CHANGE YOUR RECOMMENDATION TO US?

19 MS. TRGOVCICH: APC RAISED A NUMBER OF ISSUES  
20 IN TRYING TO PROVIDE INFORMATION TO THIS BOARD TO SERVE  
21 AS A BASIS FOR YOUR DECISION. THERE IS NOTHING THAT WE  
22 HAVE HEARD HERE TODAY -- I THINK A LOT OF WHAT WE HEARD  
23 WE HEARD AT COMMITTEE. THERE WERE A COUPLE OF NEW  
24 ITEMS PROVIDED. FOR EXAMPLE, ONE WAS A LIST OF 130  
25 PROCESSORS. YOU HEARD RON REFER A COUPLE OF TIMES TO



1 THE FACT THAT WE ONLY FOUND, YOU KNOW, 89 THAT WERE  
2 ACTUALLY PROCESSING. SO WHERE IS -- THERE'S A PROBLEM  
3 HERE.  
4 WE WENT OUT ORIGINALLY TO 246, SO 89 IS  
5 WHAT WE ENDED UP WITH AS A RESULT OF THAT SURVEY IN  
6 TERMS OF THOSE ENTITIES THAT ACTUALLY PROCESSED HDPE.  
7 THERE WERE A NUMBER OF REFERENCES  
8 REGARDING DOC AND THEIR ABILITY. I THINK I WILL TAKE  
9 YOU BACK VERY BRIEFLY TO THAT APRIL BOARD MEETING IN  
10 SAN BERNARDINO WHERE THE NUMERATOR AND DENOMINATOR  
11 METHODOLOGIES WERE PUT UP ON THE SCREEN FOR YOU. AND I  
12 THINK WHEN WE DISCUSSED THE NUMERATOR METHODOLOGY AND  
13 THE INTERESTED PARTIES SAID ANY OF THE TOP THREE  
14 METHODOLOGIES, THE TWO PROCESSOR SURVEYS, ONE APC, ONE  
15 STAFF, AND THE RECLAIMER, ANY OF THOSE THREE ARE OKAY.  
16 THAT WAS, IN PART, BASED ON THE FACT THAT THE PRIOR  
17 YEAR CASCADIA STUDY, WHICH LOOKED AT THE RESPONSE AND  
18 THE COLLECTION AND ALL OF THOSE THREE POINTS, WERE SO  
19 VERY CLOSE THAT WE COULD PURSUE ANY POINT IN -- WITHIN  
20 THOSE THREE AREAS. THAT WAS, IN PART, PART OF THE  
21 INTERESTED PARTIES RESPONSE.  
22 AND I BELIEVE YOU WILL REMEMBER THAT  
23 STAFF SAID WE ONLY RECOMMEND THE STAFF SURVEY OF THE  
24 PROCESSORS IF DOC WILL SUPPORT US. THAT WASN'T JUST TO  
25 PROVIDE AN INDEPENDENT ANALYSIS. BUT IT WAS FOR TWO



1 OTHER VERY IMPORTANT REASONS. ONE, WE COULD NOT  
2 GUARANTEE THE CONFIDENTIALITY OF THE DATA, AND THAT IS  
3 ABSOLUTELY CRITICAL AS IT PERTAINS TO THE PROCESSORS.  
4 AND TWO, DOC HAS A PRIOR EXISTING RELATIONSHIP WITH  
5 THESE PROCESSORS. SO UNLIKE CASCADIA THAT WENT TO THE  
6 PROCESSORS FOR THE FIRST TIME THE PRIOR YEAR, DOC IS IN  
7 AN ONGOING RELATIONSHIP WITH THESE INDIVIDUALS.  
8 RON RAISED ISSUES AS IT RELATES TO THE  
9 PERCENTAGE OF HOUSEHOLDS SERVED BY CURBSIDE IN THIS  
10 STATE, AND THAT'S, YOU KNOW, EXTRAPOLATION FROM  
11 NATIONAL DATA. YOU WOULD HAVE TO BUY INTO THE  
12 ASSUMPTION OF THAT 15.5 PERCENT THAT APC IS RAISING.  
13 THERE'S A BASELINE ASSUMPTION THAT THEY  
14 ARE MAKING THAT BECAUSE 15.5 PERCENT OF ALL U.S. --  
15 CALIFORNIA REPRESENTS 15.5 PERCENT OF THE TOTAL  
16 POPULATION HAVING CURBSIDE COLLECTION, AND YOU HAVE TO  
17 BUY INTO THE FACT, THAT THAT MEANS THAT HDPE IS  
18 REPRESENTED IN THAT SAME PROPORTION.  
19 I THINK WE HEARD A LOT OF TESTIMONY TO  
20 THE CONTRARY, SO I DON'T BELIEVE THAT WE HAVE HEARD  
21 ANYTHING IN PARTICULAR THAT WOULD CHANGE OUR MIND. I  
22 THINK THAT THE INTERESTED PARTIES WERE VERY CLEAR IN  
23 TERMS OF THE TOP THREE APPROACHES THAT THEY WOULD  
24 SELECT AND GIVE US LEAVE TO PURSUE EITHER OF THE  
25 THREE.



1 I THINK THE INTERESTED PARTIES WERE  
2 CERTAINLY A LOT STRONGER AS IT PERTAINS TO THE  
3 DENOMINATOR. AND IN STAFF PRESENTATION IN APRIL OF A  
4 PRIOR YEAR, WE CERTAINLY INDICATED THAT WE WERE NOT  
5 GOING FORWARD WITH THE RECOMMENDATION OF THE INTERESTED  
6 PARTIES AS IT PERTAINS TO THE DENOMINATOR. AS YOU WILL  
7 REMEMBER, THEIR RECOMMENDATION WAS A STATEWIDE WASTE  
8 CHARACTERIZATION STUDY. SO, NO, THERE IS NOTHING IN  
9 THIS THAT WOULD MAKE US CHANGE OUR RECOMMENDATION.

10 BOARD MEMBER RELIS: WE HAVE ONE OR MORE  
11 REPRESENTATIVES FROM DOC HERE, CORRECT?

12 CHAIRMAN PENNINGTON: YES. WE HAVE TWO.

13 BOARD MEMBER RELIS: DOES DOC HAVE ANYTHING  
14 YOU WANT TO SAY REGARDING STATEMENTS MADE HERE? AND  
15 YOU -- YOU HAVE NO COMMENT?

16 DOC REPRESENTATIVE: WE'RE VERY COMFORTABLE  
17 WITH EVERYTHING SAID SO FAR.

18 BOARD MEMBER RELIS: WELL, I'D JUST LIKE TO  
19 OFFER A FEW THOUGHTS GIVEN THAT. LAST YEAR, LAST TIME  
20 WE VOTED THIS ISSUE, IT WAS A CLOSE CALL. I MEAN I WAS  
21 WITH THE MAJORITY AT THAT POINT THAT SAID, LOOK, THIS  
22 APPEARS TO BE A CLIFF HANGER, A RANGE. THIS YEAR I  
23 HAVE TO SUPPORT STAFF. I THINK THEY'VE -- STAFF AND  
24 DOC HAVE GIVEN US A CLEAR NUMBER. AND SO JUST WANT TO  
25 REFLECT WHERE I'M COMING FROM ON THIS.



1 CHAIRMAN PENNINGTON: MR. CHESBRO.

2 BOARD MEMBER CHESBRO: MR. CHAIRMAN, SOMETIMES

3 THESE REGULATORY PROCESSES, WE LOSE TRACK OF THE FOREST

4 FOR THE TREES, ALTHOUGH MAYBE FOOD PRODUCTS ISN'T A

5 METAPHOR WHEN WE'RE TALKING ABOUT PLASTIC, BUT WE FOCUS

6 IN ON ALL THESE DETAILS AND WE FORGET WHAT THE

7 LEGISLATIVE INTENT WAS. AND THE LEGISLATIVE INTENT WAS

8 TO REDUCE THE AMOUNT OF PLASTIC GOING IN LANDFILLS.

9 AND THE LEGISLATURE PROVIDED A RANGE OF ALTERNATIVE

10 WAYS TO ACHIEVE THAT. AND THEY PROVIDED THIS SORT OF

11 ESCAPE MECHANISM, IF YOU WILL, IF A CERTAIN LEVEL OF

12 RECYCLING WAS ACHIEVED, THEN THE OTHER METHODOLOGIES

13 WOULDN'T BE NECESSARY.

14 AND IF WE WERE IN A POSITION WHERE WE

15 WERE EITHER WHERE OREGON IS SUPPOSEDLY, 30 OR 35

16 PERCENT, OR IF WE WERE IN A POSITION WHERE THERE WERE

17 DRAMATIC INCREASES IN RECYCLING GOING ON THAT WERE

18 CLEAR TO EVERYBODY, OR IF THERE WAS DRAMATIC GOOD FAITH

19 EFFORT GOING ON. AND WITH ALL DUE RESPECT TO THE GOOD

20 THINGS THAT HAVE BEEN DONE, LIKE SUPPORT FOR THE

21 SACRAMENTO EDUCATION PROGRAM, CLEARLY NOT ENOUGH HAS

22 BEEN DONE TO GET THE RECYCLING RATE UP WELL ABOVE 25

23 PERCENT.

24 AND SO IN THE ABSENCE OF ALL OF THOSE

25 THINGS, IT SEEMS TO ME THAT IF THERE'S NOT A CLEAR





1 ACHIEVEMENT ABOVE 25 PERCENT, THEN THE LEGISLATIVE  
2 INTENT IS PRETTY CRITICAL AND THAT THERE'S A NECESSITY  
3 FOR THE INDUSTRY TO SAY WHAT DO WE DO NOW BASED ON THE  
4 LEGISLATURE'S INTENT AND THE INDUSTRY'S AGREEMENT,  
5 BECAUSE THEY SUPPORTED THE ORIGINAL LEGISLATION, TO TRY  
6 TO STIMULATE THE MARKETPLACE OR TAKE WHATEVER STEPS ARE  
7 NECESSARY, RECYCLED-CONTENT, SOURCE REDUCTION, WHATEVER  
8 OTHER TECHNIQUES ARE NECESSARY TO GET PLASTIC REDUCED  
9 IN THE WASTESTREAM.  
10 SO I THINK WE NEED TO KEEP OUR EYE  
11 FOCUSED ON THE PURPOSE OF THIS LAW. AND I WOULD HOPE  
12 THE PLASTIC INDUSTRY WOULD TOO SO THAT THEY WOULD VIEW  
13 IT AS SOMETHING TO MOVE FORWARD CONSTRUCTIVELY WITH.  
14 TO DRAW A PARALLEL WITH THE PAPER INDUSTRY, I WISH THE  
15 PLASTICS INDUSTRY HAD TAKEN THE KIND OF STEPS THAT  
16 WE'VE SEEN IN THE PAPER INDUSTRY WHERE DRAMATIC  
17 INVESTMENTS HAVE BEEN MADE TO TRY TO INCREASE THE  
18 AMOUNT OF UTILIZATION OF SECONDARY MATERIALS IN ORDER  
19 TO RESPOND TO THE PUBLIC'S CONCERN AND THE LAWS THAT  
20 HAVE BEEN PASSED IN CALIFORNIA AND OTHER STATES.  
21 50 I WILL GO AHEAD AND MOVE THAT WE  
22 ACCEPT STAFF'S RECOMMENDATION AND APPROVE THE PETE  
23 RECYCLING RATE OF 35.9 PERCENT AND THE ALL-CONTAINER  
24 RATE OF 23.2 PERCENT.  
25 BOARD MEMBER GOTCH: AND I'LL SECOND.



1 BOARD MEMBER FRAZEE: YES, MR. CHAIRMAN. JUST  
2 A COUPLE OF COMMENTS. IF THERE'S ONE LESSON THAT I  
3 HAVE LEARNED COMING FROM 16 YEARS IN THE LEGISLATURE TO  
4 A REGULATORY BODY, AND THAT LESSON IS THAT THE  
5 LEGISLATURE DOES MAKE MISTAKES. AND THE PUTTING -- I  
6 THINK I'VE FOUND THIS ACROSS THE BOARD WITH TRYING TO  
7 ADOPT REGULATIONS THAT MESH WITH WHAT THE LEGISLATIVE  
8 INTENT WAS AND THE UNWORKABILITY OF SOME OF THESE ACTS  
9 THAT DO COME OUT OF LEGISLATURE, AND THIS IS THE PRIME  
10 EXAMPLE.  
11 NOT TO CRITICIZE ANYTHING THAT THE STAFF  
12 HAS DONE, BUT TRYING TO ESTABLISH THIS RATE WITH THE  
13 RESOURCES THAT ARE AVAILABLE IS LIKE COUNTING HOW MANY  
14 ANGELS CAN DANCE ON THE HEAD OF A PIN. IT'S AN  
15 ILLUSIVE NUMBER THAT NO ONE CAN REALLY GIVE US A CLOSE  
16 ANSWER ON. WE CAN SIT HERE AND ARGUE IT DAY IN AND DAY  
17 OUT, AND WE'RE NEVER GOING TO COME UP WITH A  
18 SATISFACTORY ANSWER.  
19 I'M TEMPTED TO TAKE THE ADVICE OF, I  
20 THINK IT WAS, ABRAHAM LINCOLN, WHO SAID THE BEST WAY TO  
21 CORRECT AN UNJUST LAW IS TO ENFORCE IT TO ITS ULTIMATE.  
22 AND I'M TEMPTED TO VOTE FOR THIS WITH THAT INTENT IN  
23 MIND, BUT I'M GOING TO RESIST THAT ATTEMPT. I'M STILL  
24 NOT COMFORTABLE WITH THIS, NOT ONLY JUST ADOPTING THIS  
25 RATE ON THE SCANTY INFORMATION THAT WE HAVE, BUT THE



1 CONSEQUENCES DOWN THE ROAD.

2 THIS OPENS A PANDORA'S BOX TO -- IN MY

3 VIEW BECAUSE INSTEAD OF DEALING WITH JUST RON PERKINS

4 AND THE PLASTIC COUNCIL, WE'RE GOING TO BE DEALING WITH

5 HUNDREDS AND HUNDREDS OF PLASTIC PRODUCT PRODUCERS AND

6 DEALING WITH EACH ONE OF THEM ON AN INDIVIDUAL BASIS.

7 AND I DON'T THINK WE'VE HAD ENOUGH TIME AT THIS

8 BUSINESS TO REALLY BE COMFORTABLE WITH DEFENDING

9 OURSELVES IN THAT KIND OF A CIRCUMSTANCE. SO I'M GOING

10 TO CONTINUE TO OPPOSE ADOPTING THE RATE AT THIS TIME.

11 CHAIRMAN PENNINGTON: OKAY.

12 BOARD MEMBER JONES: MR. CHAIRMAN, ACTUALLY MY

13 FIRST BOARD MEETING WAS RPPC, AND I GAVE A LITTLE

14 MESSAGE. YOU KNOW, WE'RE GOING THROUGH THIS EXERCISE,

15 AND I AGREE -- I MEAN I AGREE WITH THE RATE. I AGREE

16 WITH WHAT STAFF HAS DONE. I DON'T WANT TO BE -- I

17 DON'T WANT ANYBODY TO MISINTERPRET WHAT I'M SAYING, BUT

18 I DO AGREE WITH MR. FRAZEE.

19 HOW DO YOU QUANTIFY SOMETHING THAT IS

20 THIS HARD? THAT'S WHY I AGREED TO THE RANGE BECAUSE IT

21 WAS CLOSE ENOUGH, OKAY. BUT I'M WONDERING NOW, WHEN WE

22 DO THIS, AND IF WE GET INTO WHATEVER THE NEXT STEP IS

23 BECAUSE CLEARLY THIS JUST ADDRESSES THE RANGE, BECAUSE

24 I'M NOT A -- I DON'T WANT TO -- I KNOW WHAT SOME OF THE

25 ALTERNATIVES CAN BE, AND I'M NOT REAL SURE THAT I AGREE



1 WITH THOSE, BUT WHO ARE WE DIRECTING THIS TO? YOU  
2 KNOW, THE FACT THAT -- THE FACT THAT THE PLASTICS  
3 MANUFACTURERS, RESIN MANUFACTURERS WHO EVIDENTLY CAN'T  
4 MAKE RESIN USING A PRODUCT THAT HAS BEEN RECOVERED, WHO  
5 ARE WE HAMMERING HERE? EVERYBODY THAT'S GOING TO MAKE  
6 SOMETHING OUT OF PLASTIC.  
7 I MEAN DO YOU UNDERSTAND WHAT I'M SAYING?  
8 BECAUSE THERE ARE A LOT OF ELEMENTS TO -- AND SOME OF  
9 THE REASON THAT I WENT AFTER RON PERKINS WITH SOME OF  
10 THE QUESTIONS THAT I DID IS THAT THAT MANUFACTURER OF A  
11 PRODUCT OR THAT PERSON THAT'S GOING TO TAKE A RECOVERED  
12 PRODUCT HAS A MISSION. THEIR MISSION IS TO MAKE AS  
13 MUCH AS MONEY AS THEY CAN TO BE PROFITABLE. AND IF  
14 THEY COME TO A COLLECTOR OF MATERIAL AND SAY WE'RE NOT  
15 GOING TO TAKE YOUR MATERIAL UNLESS IT IS IN THIS FORM,  
16 THAT COLLECTOR OF MATERIAL HAS THE SAME OBJECT, YOU  
17 KNOW, THE SAME GOAL IS FOR THEIR COLLECTIONS TO BE  
18 PROFITABLE, RIGHT.  
19 50 YOU'VE GOT A GROUP NOW THAT IS SAYING  
20 NO, NO. I DON'T WANT YOU TO DO IT THAT WAY. I WANT  
21 YOU TO DO IT LIKE THIS, OTHERWISE I WON'T ACCEPT THE  
22 MATERIAL. AND SOMEHOW WE NEED TO GET THOSE - - THE  
23 PEOPLE THROUGH THAT CHAIN TOGETHER. WE NEED TO TALK  
24 ABOUT HOW THE TALCO'S OF THE WORLD CAN RECEIVE A  
25 PRODUCT AND PAY A FAIR PRICE AND COLLECTION COMPANIES



1 THAT CAN PICK IT UP AT A FAIR PRICE BECAUSE IT'S THEIR  
2 RATEPAYERS PAYING THIS.  
3 I HEARD THE ARGUMENT IN ONE OF THE  
4 DISCUSSIONS WAS NOBODY CARES HOW MUCH IT COSTS TO  
5 PROCESS PLASTIC OR WHAT THE MARKETS ARE FOR PLASTIC.  
6 THE RESIDENT DOESN'T CARE BECAUSE THE RESIDENT IS  
7 PUTTING OUT A BIN OF SOURCE-SEPARATED, RECYCLABLE  
8 MATERIAL AND THEY'VE DONE THEIR JOB. THEY COULD CARE  
9 LESS IF IT'S 2 CENTS A POUND OR 12 CENTS A POUND. OF  
10 COURSE, THE PERSON THAT'S OPERATING THE PROGRAM OR THE  
11 CITY COUNCILMAN THAT'S APPROVED IT HAS A LITTLE MORE  
12 INTEREST IN EXACTLY WHAT THAT IS.  
13 BUT YOU KNOW WHAT I'M TRYING TO SAY?  
14 IT'S AN OPERATIONAL FUNCTION THAT NEEDS OR AN  
15 OPERATIONAL EXERCISE THAT I THINK NEEDS TO BE PART OF  
16 THIS PROCESS, SOMEHOW TO FIGURE OUT HOW ALL OF THESE  
17 PIECES CAN WORK TOGETHER TO GET WHAT IS. ACTUALLY THE  
18 GOAL. AND THE GOAL IS KEEP THE STUFF OUT AND KEEP IT  
19 BACK IN THE MARKETPLACE. WE'RE NOWHERE NEAR THERE.  
20 OKAY.  
21 YOU HEAR EVAN, YOU HEAR ME SAYING THE  
22 COLLECTION HAS BEEN TAKEN CARE OF, AND YOU HEAR RON AND  
23 TALCO SAYING WE'RE HERE TO PROCESS IT. OBVIOUSLY IF  
24 THEY'RE HERE TO PROCESS IT AND THEY HAVE ROOM, AND  
25 WE'RE COLLECTING IT AND WE HAVE WAREHOUSES FULL OF THIS



1 STUFF, THEN SOMETHING IS WRONG IN BETWEEN. SOMETHING  
2 IS NOT WORKING.

3 SO, YOU KNOW, I SUPPORT THE RATE. I  
4 THINK THE MATH IS RIGHT. I DON'T HAVE A PROBLEM WITH  
5 THAT. BUT IT'S THE NEXT STEP THAT I REALLY THINK WE  
6 NEED TO TALK ABOUT HOW ARE WE GOING TO FIX THE PROBLEM,  
7 NOT WHO ARE WE GOING TO SLAP. SO --

8 BOARD MEMBER CHESBRO: MR. CHAIRMAN, THERE'S  
9 ONE OTHER ASPECT OF HOW THE PROBLEM IS GOING TO BE  
10 FIXED THAT I'D LIKE TO ADDRESS, AND IT'S MORE RELATED  
11]. TO UTILIZATION BY PRODUCT MANUFACTURERS, UTILIZATION OF  
12 RECYCLED PLASTIC IN THEIR CONTAINERS. AND WHEN I WAS  
13 AT NRC -- I TOLD THIS STORY LAST YEAR, SO FORGIVE ME  
14 FOR REPEATING IT, BUT I THINK IT'S RELEVANT. WHEN I  
15 WAS AT NRC LAST YEAR IN PITTSBURGH, NATIONAL RECYCLING  
16 COALITION, I MET WITH SOMEBODY WHO HAD BEEN RETAINED BY  
17 ONE OF THE MAJOR PRODUCT MANUFACTURERS TO IDENTIFY THE  
18 KIND OF RESIN THEY NEEDED FOR THEIR PACKAGES AND TO  
19 LINE THAT ALL UP AND MAKE IT WORK WHEN THE CALIFORNIA  
20 LAW CLICKED INTO BEING.

21 THEY HAVE A -- IN THEIR MISSION STATEMENT  
22 FOR THEIR COMPANY ENVIRONMENTAL COMPLIANCE. IF THE LAW  
23 SAYS WE GOT TO DO X, WE DO IT. I'D WAGER TO SAY MOST  
24 OF THE MAJOR AMERICAN CORPORATIONS NOW HAVE THAT AND  
25 MAJOR MANUFACTURERS NOW HAVE THAT. NOW, THAT DOESN'T



1 TAKE CARE ALL THE LITTLE BITTY ONES THAT MAY OR MAY NOT  
2 BE IN COMPLIANCE NECESSARILY.  
3 BUT I BELIEVE THAT LAST YEAR THERE WERE  
4 MANY NATIONAL CONCERNS WATCHING BOTH THE LEGISLATURE IN  
5 TERMS OF WHAT THEY DID WITH THE LAW AND US IN TERMS OF  
6 DETERMINING WHETHER THE 25-PERCENT TRIGGER HAD BEEN  
7 ARRIVED AT OR NOT. AND I THINK THAT WE ARE IN THAT  
8 POSITION AGAIN. AND I THINK YOU WILL SEE A SIGNIFICANT  
9 AMOUNT OF DEMAND GENERATED BECAUSE OF COMPANIES WHO  
10 SAY, OKAY, IF THAT'S WHAT THE RULES ARE IN CALIFORNIA  
11 AND WE HAVE TO DELIVER A PRODUCT IN A RECYCLED-CONTENT  
12 CONTAINER, THAT'S WHAT WE'RE GOING TO DO. AND SO I  
13 THINK RIGHT OFF THE BAT THERE IS -- PART OF THE  
14 COMPLIANCE QUESTION WILL BE ANSWERED THROUGH VOLUNTARY  
15 COMPLIANCE BY MANY PRODUCT MANUFACTURERS.

16 BOARD MEMBER JONES: I AGREE. I THINK THAT  
17 WHAT YOU ARE SAYING IS LOGICAL, BUT I'M WONDERING IF  
18 THEY GO TO A TALCO, IF THAT MANUFACTURER GOES TO TALCO  
19 AND SAYS I NEED THIS MUCH MATERIAL, IS HE GOING TO  
20 ARTIFICIALLY DRIVE THE PRICE UP, OR IS HE OUT LOOKING?  
21 YOU KNOW WHAT I MEAN? WE STILL HAVE AN OPERATIONAL  
22 ISSUE OF HOW THESE PIECES FALL TOGETHER TO EVER DO THE  
23 MINIMUM CONTENT ISSUES. I MEAN YOU CAN'T -- BECAUSE  
24 THEN ALL WE'RE GOING TO HAVE IS A BIGGER DISPARITY.  
25 WE'RE GOING TO HAVE MORE STUFF GOING TO LANDFILLS



1 BECAUSE THEY FULFILLED THEIR NEED, THAT THEY PUT THIS  
2 MUCH INTO A PRODUCT AND NOTHING'S GETTING RECOVERED,  
3 YOU KNOW, AND IT'S STILL GOING TO GO TO THE LANDFILL.  
4 I MEAN I JUST THINK THE PIECES HAVE TO BE PUT TOGETHER.

5 CHAIRMAN PENNINGTON: OKAY. WELL, I'M -- LIKE  
6 MR. FRAZEE, I'M BOTHERED BY THE NUMBERS. I'M BOTHERED  
7 BY THE DISCREPANCY IN THE NUMBERS. AND I THINK THAT  
8 MR. PERKINS HAS RAISED A LOT OF GOOD ISSUES. IT'S A  
9 TOUGH DECISION TO MAKE.

10 I THINK THE STAFF HAS DONE AN EXCELLENT  
11 JOB. I THINK DOC DID AN EXCELLENT JOB. SO I DON'T  
12 KNOW WHERE I AM. SO WE BETTER FIND OUT HERE, HUH? IF  
13 THERE'S NO FURTHER DISCUSSION, THERE'S A MOTION ON THE  
14 FLOOR. WILL THE SECRETARY CALL THE ROLL.

15 THE SECRETARY: BOARD MEMBER CHESBRO.

16 BOARD MEMBER CHESBRO: AYE.

17 THE SECRETARY: FRAZEE.

18 BOARD MEMBER FRAZEE: NO.

19 THE SECRETARY: GOTCH.

20 BOARD MEMBER GOTCH: AYE.

21 THE SECRETARY: JONES.

22 BOARD MEMBER JONES: AYE.

23 THE SECRETARY: RELIS.

24 BOARD MEMBER RELIS: AYE.

25 THE SECRETARY: CHAIRMAN PENNINGTON.





1 CHAIRMAN PENNINGTON: I GUESS IT'S TIME, HUH?  
2 AYE.  
3 BOARD MEMBER RELIS: MR. CHAIR, BEFORE WE  
4 LEAVE THIS ITEM ENTIRELY, SOMETHING CAME TO MIND IN  
5 THIS DISCUSSION. AND EARLIER LAST YEAR WE HAD TALKED  
6 ABOUT WASTE CHARACTERIZATION. I REALIZE THIS ISN'T AN  
7 ITEM FOR TODAY'S DISCUSSION, BUT MY THOUGHT IS, PASSING  
8 ALONG THOUGHT, THAT MAYBE IT'S TIME FOR THE BOARD, IF  
9 THE REVENUE PICTURE CONTINUES TO HOLD UP, TO DO THE  
10 FULL-BLOWN WASTE CHARACTERIZATION. I THINK THAT'D  
11 CLEAR A LOT OF THINGS THAT ARE ON THE TABLE BEFORE THE  
12 BOARD. IT WOULD BE A TIMELY REALITY CHECK FOR  
13 EVERYBODY CONCERNED, PLASTICS INDUSTRY, PAPER,  
14 EVERYBODY. WHAT'S IN OUR WASTESTREAM EIGHT YEARS, NINE  
15 YEARS AFTER WE BEGAN THIS ENTERPRISE?  
16 BOARD MEMBER CHESBRO: THE LOCAL ASSISTANCE  
17 AND PLANNING COMMITTEE, AS AN INFORMAL DIRECTION TO  
18 STAFF, DIRECTED THAT STAFF EXPLORE THAT QUESTION AND  
19 ALSO SEEK PARTNERS AND ADDITIONAL POSSIBLE USES FOR  
20 THAT CHARACTERIZATION STUDY TO MAKE IT COST-EFFECTIVE  
21 TO HAVE MULTIPLE USES THAT WOULD -- BENEFITS THAT WOULD  
22 COME OUT OF IT. SO I HOPE A PROCESS IS UNDER WAY, MR.  
23 CHANDLER, THAT WILL RESPOND TO YOUR CONCERNS, MR.  
24 RELIS.  
25 BOARD MEMBER RELIS: AND THE NEXT COMMENT IS



1 SOMEWHAT TONGUE IN CHEEK, BUT MAYBE THE REFERENCE  
2 POINT -- THIS WILL SOUND A BIT CHAUVINISTIC --  
3 STATEWISE. MAYBE IT SHOULDN'T BE OREGON. MAYBE IT  
4 SHOULD CALIFORNIA. MAYBE WE HAVE IT RIGHT. I DON'T  
5 KNOW.

6 CHAIRMAN PENNINGTON: WE'RE GOING TO TAKE A  
7 FIVE-MINUTE BREAK HERE. WHEN WE COME BACK, WE'RE GOING  
8 TO TAKE UP ITEM 18. AND I JUST WANT TO SAY THAT WE'RE  
9 GOING TO MOVE EVERYBODY ALONG AS QUICK AS WE CAN. WE  
10 HAVE NINE PEOPLE THAT WANT TO SPEAK ON 18, WE HAVE  
11 THREE PEOPLE ON 20, AND WE HAVE 13 PEOPLE THAT WANT TO  
12 SPEAK ON 22. SO I'M GOING TO TRY TO MOVE YOU AS  
13 QUICKLY. IF I THINK YOU'RE RAMBLING, I'M GOING TO TELL  
14 YOU WE GOT TO MOVE ALONG.  
15 (RECESS TAKEN.)

16 CHAIRMAN PENNINGTON: OKAY. MOVING ALONG.  
17 ITEM NO. 18, CONSIDERATION OF A DRAFT EMERGENCY  
18 REGULATION TO REVISE PERMANENT EXCLUSIONS FOR WASTE  
19 TIRE FACILITIES. DOROTHY RICE.

20 MS. RICE: THANK YOU, MR. CHAIRMAN AND  
21 MEMBERS. BERNIE VLACH WILL MAKE A BRIEF STAFF  
22 PRESENTATION.

23 MR. VLACH: GOOD AFTERNOON, MR. CHAIRMAN AND  
24 MEMBERS OF THE BOARD. MY NAME IS BERNIE VLACH FROM  
25 BOARD STAFF.



1 THE ITEM BEFORE YOU TODAY IS  
2 CONSIDERATION OF DRAFT EMERGENCY REGULATIONS TO REVISE  
3 PERMIT EXCLUSIONS FOR WASTE TIRE STORAGE FACILITIES.  
4 THIS IS NOT TO BE CONFUSED WITH A LONGER-TERM EFFORT  
5 STAFF INITIATED IN LATE 1997 TO CONSIDER ALL OF THE  
6 TIRE REGULATIONS, INCLUDING TIRE PERMITTING, TIRE  
7 HAULER REGISTRATION, AND FINANCIAL ASSURANCE ISSUES  
8 RELATED TO TIRE REGULATION.  
9 THIS ITEM FOCUSES PRIMARILY ON EXCLUSIONS  
10 FOR WASTE TIRE STORAGE FACILITIES FROM PERMITTING AND  
11 REGULATION BY THE BOARD. THIS ISSUE WAS BROUGHT TO  
12 THE STAFF'S ATTENTION BY LOCAL GOVERNMENT AND PROPERTY  
13 OWNERS WHO HAVE EXPRESSED CONCERNS THAT STOCKPILING OF  
14 TIRES IS OCCURRING AT APPROXIMATELY 70 FACILITIES IN  
15 THE STATE WITHOUT BENEFIT OF TIRE PERMITS OR WITHOUT  
16 BENEFIT OF THE REQUIREMENT TO CONFORM TO THE STATE TIRE  
17 STORAGE STANDARDS. THIS HAS LED IN SOME CASES TO  
18 ENVIRONMENTAL PROBLEMS AND NUISANCE PROBLEMS, AND THE  
19 STATE HAS BEEN UNABLE TO ASSIST THE LOCAL GOVERNMENT IN  
20 RESOLVING SOME OF THESE ISSUES.  
21 STAFF HAS PROPOSED, AT THE COMMITTEE'S  
22 REQUEST, THREE SCENARIOS TO DEAL WITH THIS PARTICULAR  
23 PROBLEM. THEY ALL WOULD INCLUDE STRIKING CERTAIN  
24 PROBLEMATIC EXCLUSIONS FROM THE REGULATIONS. THEY  
25 DIFFER IN THE FACT THAT THE FIRST SCENARIO WOULD



1 INCLUDE, IN ADDITION, AN EXCLUSION, A NEW EXCLUSION,  
2 FOR TIRE MANUFACTURING FACILITIES OR WASTE TIRE  
3 REMANUFACTURERS, AND THE OTHER TWO SCENARIOS ARE  
4 SIMILAR. AND THEY DIFFER IN THE FACT THAT ONE WOULD  
5 ALLOW A LONGER PERIOD FOR THOSE WHO LOST THEIR  
6 EXCLUSION TO COME INTO COMPLIANCE WITH THE STANDARDS  
7 AND TO GET A WASTE TIRE PERMIT.  
8 I'D LIKE TO JUST ADDRESS BRIEFLY THAT  
9 THESE REGULATIONS AS PROPOSED BY THE STAFF WOULD AFFECT  
10 APPROXIMATELY 70 FACILITIES IN THE STATE. THE VAST  
11 MAJORITY OF THOSE FACILITIES ARE SMALL FACILITIES LESS  
12 THAN 5,000 TIRES. IF THE BOARD WOULD APPROVE THESE  
13 CHANGES IN THE REGULATION, THOSE FACILITIES WOULD NEED  
14 TO COME TO THE STAFF AND OBTAIN A -- AND THE BOARD AND  
15 OBTAIN A WASTE TIRE STORAGE PERMIT.  
16 OF THOSE 80 FACILITIES -- I'M SORRY --  
17 THOSE 70 FACILITIES, EIGHT OF THEM ARE OF THE MAJOR  
18 TIRE FACILITY TYPE, STORING MORE THAN 5,000 TIRES.  
19 THEY WOULD NEED, OF COURSE, A MAJOR TIRE FACILITY  
20 PERMIT. OF THOSE EIGHT MAJOR FACILITIES, STAFF IS  
21 FAIRLY CERTAIN THAT SEVEN OF THEM ARE TIRE -- USED TIRE  
22 DEALERS THAT ARE STOCKPILING USED TIRES WAITING FOR THE  
23 PROPER MARKET CONDITIONS TO MEET THEIR SALES NEEDS.  
24 AND ONE OF THEM IS A CRUMB RUBBER PRODUCER IN SOUTHERN  
25 CALIFORNIA.



1 So IF THE BOARD HAS -- THE STAFF  
2 RECOMMENDATION IS SCENARIO NO. 3, WHICH WOULD BE THE NO  
3 MANUFACTURING EXCLUSION AND THE SHORTER COMPLIANCE  
4 PERIOD, 60-DAY COMPLIANCE PERIOD, RATHER THAN THE MORE  
5 PROTRACTED PERIOD FOUND IN ONE OF THE OTHER SCENARIOS.  
6 AND THAT ENDS STAFF PRESENTATION.

7 CHAIRMAN PENNINGTON: OKAY. THANK YOU.  
8 QUESTIONS OF STAFF? OKAY. WE'LL START WITH -- WE HAVE  
9 TEN PEOPLE ON THIS ITEM, SO AGAIN WE INTEND TO GO UNTIL  
10 WE'RE THROUGH THE AGENDA BECAUSE WE CANNOT CARRY IT  
11 OVER TILL TOMORROW BECAUSE WE'VE GOT A LONG AGENDA FOR  
12 TOMORROW. SO WE'RE GOING TO KEEP AT IT TILL WE'RE  
13 DONE. SO I ASK YOU AGAIN PLEASE TO MAKE YOUR COMMENTS  
14 AS SHORT AS POSSIBLE. E DON'T WANT TO RESTRICT  
15 ANYBODY, BUT I'D LIKE FOR YOU TO GET YOUR POINT ACROSS  
16 AS QUICKLY AS POSSIBLE. VIRGINIA CALLAHAN.

17 MS. CALLAHAN: GET YOU OUT OF YOUR MISERY AS  
18 FAST AS I CAN.

19 CHAIRMAN PENNINGTON: THANK YOU. IT'S BEEN A  
20 LONG DAY FOR YOU TOO, I KNOW.

21 MS. CALLAHAN: WE HAVE A TIRE JUNKYARD  
22 ADJACENT TO OUR HOMES ON CUSTER LANE. I'M SURE ON  
23 PAPER IT'S LISTED AS TIRE RECYCLING. THE PRESENT  
24 EXCLUSION HAS DEVASTATED OUR HOMES AND LIVES. SO FAR  
25 NO CARE HAS BEEN GIVEN TO OUR SAFETY, HEALTH, OR WELL



1 BEING.

2 WE'VE DEALT WITH BROKEN AGREEMENTS AND

3 PROMISES FROM KIRK & SON TIRES. WE'RE ONLY GOING TO

4 SPEAK ON THE ONE THAT WE KNOW ABOUT.

5 I RECEIVED A CALL ONE DAY FROM MR. COFER.

6 HE SAID, "I GIVE UP. LET'S SETTLE THIS." WE MET AT

7 OUR ATTORNEY'S OFFICE. IN THE END HE SAID HE WOULD

8 ONLY PUT ON ONE MORE CELL ON HIS LOT. THE NEXT THING

9 WE KNEW NOT ONLY DID HE PUT ONE MORE ON, BUT THREE MORE

10 CELLS, TWO WHICH ARE THOSE LARGE EQUIPMENT TIRES.

11 WHEN CHALLENGED ABOUT THE QUESTIONABLE

12 ACTIVITIES ON THE LOT, HE JUMPS BEHIND THE EXCLUSION

13 FOR PROTECTION. MORE THAN ONCE WE'VE BEEN TOLD BY MR.

14 COFER THAT WITH THE EXCLUSION HE'S UNTOUCHABLE. HE

15 FEELS ABOVE ANY OTHER REGULATIONS, DOING AS HE PLEASE,

16 HAS BROUGHT VIOLENCE TO OUR NEIGHBORHOOD, ENDING WITH

17 ONE INJURED POLICE OFFICER AND THREE ARRESTS.

18 OUR SAFETY CAN NO LONGER BE TAKEN FOR

19 GRANTED. FIRE IS A GREAT THREAT FOR US. OUR FIRE

20 MARSHAL HAS STATED, IF THE TIRES BURN, HE DOESN'T KNOW

21 HOW HE WILL GET US OUT BECAUSE WE'RE AT A DEAD-END

22 LANE. THAT'S IF WE SURVIVE THE TOXIC FUMES. THERE

23 ISN'T ONE WATER FAUCET ON THAT PROPERTY. THEY DRAG A

24 HOSE FROM THE PLUMBING SHOP NEXT DOOR.

25 WE'RE BATTLING RATTLESNAKES, RATS, AND



1 MOSQUITOES. MOSQUITO ABATEMENT IS SAYING WE'RE HAVING  
2 ONE OF THE WORST OUTBREAKS IN YEARS.  
3 WE'VE WATCHED DAY AFTER DAY, TAKING  
4 VIDEOS AND STILL PICTURES, AND COMPLAINING TO ANYBODY  
5 THAT WOULD LISTEN, HOPING THAT SOMEBODY WOULD SEE HOW  
6 THE EXCLUSION IS BEING ABUSED. A LOT OF TIRES COME IN,  
7 VERY FEW WENT OUT OR ARE GOING OUT. TIRES JUGGLED  
8 BETWEEN LOTS ARE CALLED RECYCLING. THE PICTURES IN THE  
9 PACKET SHOW WHAT MR. COFER'S LOT LOOKS LIKE ON PACIFIC  
10 HEIGHTS ROAD. IT'S LOOKED THAT WAY ON PACIFIC HEIGHTS  
11 ROAD FOR AT LEAST TWO YEARS THAT I KNOW OF. AND THAT  
12 IN ITSELF SPEAKS VOLUMES.  
13 SOON OUR LOT WILL LOOK THE SAME. NO  
14 MATTER WHAT MR. COFER HAS SAID, WE'VE NEVER BEEN  
15 APPROACHED WITH ANY PROJECTS FOR ANY LANDSCAPING, FENCE  
16 PARTITIONS, OR ANYTHING ELSE. THE ONLY THING WE GET  
17 FROM HIM IS GRIEF.  
18 THE TWO JUNK TRUCKS ON THE PROPERTY  
19 REALLY ADDS TO THE OVERALL EFFECT. WE'RE ASKING YOU TO  
20 RESCIND THE PRESENT EXCLUSION. STOP THESE OUTLAW TIRE  
21 LOTS. YOU HAVE THE GRATITUDE FROM THE LEGITIMATE  
22 RECYCLERS AND EVERYONE IN CALIFORNIA. WE WON'T BE  
23 TRADING ONE PROBLEM FOR ANOTHER.  
24 WE'VE HIRED LEGAL COUNSEL, SPENDING  
25 THOUSANDS, AND EXPECT IT WILL COST US THOUSANDS MORE,



1 WORKING LONG HOURS TO STOP WHAT'S HAPPENING IN OUR  
2 NEIGHBORHOOD. WE CANNOT DO IT ALONE. THANK YOU FOR  
3 YOUR GIVING US THIS TIME AND THIS OPPORTUNITY TO SPEAK  
4 OUR MINDS.

5 CHAIRMAN PENNINGTON: THANK YOU. ANY  
6 QUESTIONS OF MS. CALLAHAN? NEXT WE HAVE MAE ELMS.

7 MS. ELMS: FINALLY. ONCE AGAIN, I WOULD LIKE  
8 TO TELL A LITTLE ABOUT OUR LANE AND WHAT HAPPENS ON IT.  
9 AS I SAID AT THE LAST MEETING, OURS IS A SHORT, NARROW,  
10 DEAD-END LANE. THERE ARE MOSTLY SENIORS LIVING THERE  
11 IN THEIR HOMES WHERE THEY HAVE PUT THEIR MONEY, SWEAT,  
12 AND TEARS. BEING LAW ABIDING CITIZENS, WE FEEL WE HAVE  
13 THE RIGHT TO ASK THAT YOU LIFT THIS EXCLUSION.  
14 HERE ARE A FEW REASONS WHY: IT WAS A  
15 QUIET, PEACEFUL PLACE TO LIVE UNTIL THE TIRE BUSINESS  
16 CAME IN. THE -- SINCE THEN THERE HAS BEEN NO PEACE, NO  
17 RELAXATION, PRIVACY, OR SAFETY. IT HAS BEEN A BATTLE  
18 FINANCIALLY, MENTALLY, AND PHYSICALLY. WE HAVE HAD TO  
19 LOOK AT THOSE UNSIGHTLY TIRES DAY AND NIGHT AND  
20 TOLERATE THE ABUSE NOT ONLY MENTALLY BUT ALSO  
21 PHYSICALLY.

22 ON AUGUST 28, 1997, I WAS ACCOSTED BY  
23 SCOTT COFER AND PINNED AGAINST A TREE. GUESS WHAT?  
24 HE ISN'T AFRAID OF OLD LADIES. I CALLED THE SHERIFF  
25 FOR ASSISTANCE. WHEN THEY CAME, SCOTT HAD THE AUDACITY





1 TO HAVE ME ARRESTED FOR BATTERY BECAUSE I WAS HITTING  
2 HIM ON THE CHEST TRYING TO GET AWAY FROM HIM. THAT WAS  
3 IN FRONT OF SEVERAL WITNESSES. THE CASE WAS DROPPED,  
4 BUT THAT SHOWS THE TYPE OF HARASSMENT WE PUT UP WITH.  
5 HE IS NOW FACING ANOTHER FELONY TRIAL FOR FIGHTING WITH  
6 THE SHERIFFS WITH INJURIES TO THE SHERIFF, CITY POLICE  
7 AND CHP, ALONG WITH HIS FATHER, KIRK COFER.  
8 IT IS ALSO NERVE RACKING, THAT MY NERVES  
9 ARE TENSE ALL THE TIME. WE ALL FEAR FOR OUR SAFETY AND  
10 WELL-BEING DUE TO THE HARASSMENT. I HAVE NERVOUS  
11 HEADACHES MUCH OF THE TIME AND HAVE NEVER HAD TO TAKE  
12 THIS MUCH MEDICATION BEFORE. I MYSELF AM 78 YEARS OLD,  
13 AND THIS HAS REALLY BEEN HARD ON ME.  
14 WITH THOSE TIRES ABOUT 40 FEET FROM OUR  
15 FRONT DOOR, WOULD YOU CALL THAT GOOD FOR OUR HEALTH, TO  
16 SAY NOTHING OF THE APPETITE AND THE SMELL ON A HOT DAY?  
17 ALL I CAN SAY IS WOW. I'M SORRY TO SAY, BUT I'M  
18 ASHAMED TO HAVE COMPANY COME •IN AND SEE THOSE TIRES AND  
19 KNOW THE CONDITIONS WE ARE NOW LIVING IN. AFTER ALL, A  
20 HOME IS WHERE THE HEART IS; AND WHEN THE HOME IS  
21 COMPROMISED, SO IS THE HEART.  
22 WE ARE FIGHTING MOSQUITOES, RATS, GROUND  
23 SQUIRRELS, AND SNAKES. THE SKUNK POPULATION HAS BEEN  
24 RAMPANT EVERY SINCE THE TIRES HAVE BEEN THERE. AND FOR  
25 THAT ALL I CAN SAY IS PEW. THERE HAVE BEEN CASES OF



1 ENCEPHALITIS IN BUTTE COUNTY IN RECENT MONTHS, AND  
2 MOSQUITOES DO CARRY THAT DISEASE AS WELL AS MANY  
3 OTHERS. WE HAVE KILLED THREE RATTLESNAKES IN OUR YARD  
4 IN RECENT MONTHS.  
5 THOSE TIRES ARE FILLED WITH WATER, MAKING  
6 IT A PERFECT BREEDING PLACE NOW AND ESPECIALLY IN HOT  
7 WEATHER WHERE THEY WILL MULTIPLE BY THE MILLIONS, AND  
8 WE WILL STILL BE SCRATCHING THOSE LITTLE RED WELTS ALL  
9 SUMMER LONG. MOSQUITOES ARE NOT ONLY BAD FOR US  
10 HUMANS, BUT ALSO FOR OUR PETS. THAT MEANS HEART WORM  
11 MEDICATION, ANOTHER WORRY, ANOTHER EXPENSE. THE TIRES  
12 ARE FILLED WITH WATER WHICH CANNOT BE DRAINED OUT OF  
13 THEM. EVEN WHEN THEY ARE TIPPED OR TURNED, THE WATER  
14 STAYS AT THE BOTTOM. THE ONLY WAY TO GET IT OUT WOULD  
15 BE DRILL HOLES OR CUT THEM APART, AND THIS ISN'T  
16 SUPPOSED TO BE A PLACE FOR CUTTING THEM UP.  
17 THE DUST IN THE SUMMER IS REALLY BAD. IT  
18 IS CAUSED BY TRUCKS DRIVING THERE AS WELL AS OTHER  
19 FORKLIFTS, TO SAY NOTHING ABOUT THE CARS. THEY RACE  
20 AROUND AMONG THE TIRES JUST TO RAISE DUST AS WE SIT IN  
21 OUR FRONT YARD IN THE SUMMERTIME. I HAVE PICTURES TO  
22 PROVE THAT FACT. ALL OF THESE THINGS ARE LIFE  
23 THREATENING. AND WHO, MAY I ASK, IS GOING TO PAY OUR  
24 DOCTOR BILLS?  
25 NOW OUR ROADS HAVE BEEN DAMAGED TO THE



1 POINT WE CAN BARELY DRIVE OVER THEM ANYMORE, YET THOSE  
2 U-HAULS AND TRUCKS, PICKUPS AND BIG ONES, AS WELL AS  
3 LONG TRANSPORT TRAILERS, KEEP COMING IN DAY AFTER DAY  
4 AFTER DAY AFTER DAY. AS FOR THAT, MORE MECHANIC BILLS,  
5 MORE TIRES, MORE HEADACHES, MORE PILLS.  
6 AS I HAVE STATED LAST TIME, THERE ARE  
7 MANY MORE WHO WOULD LIKE TO COME AND VOICE THEIR  
8 OBJECTIONS; BUT DUE TO AGE, DISTANCE, AND INABILITY TO  
9 GET HERE, WE SPEAK FOR OURSELVES AND FOR OUR NEIGHBORS.  
10 WITH SO MUCH MISERY CAUSED BY THE TIRE BUSINESS, MANY  
11 OF WHICH I DARE SAY DON'T APPEAR TO BE GOOD FOR  
12 ANYTHING, RECAPING OR MUCH ELSE. TO PUT IT IN A  
13 NUTSHELL, THAT BUSINESS JUST DON'T BELONG IN A  
14 POPULATED NEIGHBORHOOD.  
15 WE HOPE WE HAVE GIVEN YOU ENOUGH FACTS  
16 FOR YOU TO WORK WITH TO DENY HIM ANY EXCLUSION. IF  
17 NOT, COME SEE US. WE CAN SUPPLY MUCH MORE. THANK YOU  
18 FOR YOUR PATIENCE AND FOR HEARING OUR COMPLAINTS. WE  
19 NOW LEAVE IT IN YOUR CAPABLE HANDS.

20 CHAIRMAN PENNINGTON: THANK YOU. ANY  
21 QUESTIONS OF MS. ELMS? MR. JONES.

22 BOARD MEMBER JONES: MAY I ASK YOU A QUESTION,  
23 MA'AM? YOU HAD MADE A COMMENT THAT THERE WERE A LOT OF  
24 U-HAUL TRUCKS GOING IN THERE. THAT WAS SOMETHING THAT  
25 I HAD NOTICED IN THE PICTURES THAT SOMEBODY PROVIDED.



1 MS. ELMS: THEY'RE COMING IN EVERY DAY.

2 BOARD MEMBER JONES: HOW MANY?

3 MS. ELMS: OH, TWO, THREE, FOUR A DAY.

4 BOARD MEMBER JONES: BECAUSE MY QUESTION GOES

5 TO OUR STAFF, THAT PEOPLE THAT ARE SUPPOSED TO HAUL

6 TIRES IN THE STATE OF CALIFORNIA ARE SUPPOSED TO BE

7 LICENSED, REGISTERED. IF YOU'RE USING A U-HAUL TRUCK,

8 TO WHAT ARE -- WHAT IS THE LIKELIHOOD THAT THAT IS A

9 REGISTERED TIRE HAULER?

10 MS. ELMS: I WOULD DOUBT IT. I DON'T KNOW,

11 BUT I DOUBT IT.

12 BOARD MEMBER JONES: I WANT TO ASK YOU ONE

13 MORE QUESTION, HOLD ON. BUT, YOU KNOW, THIS IS PART OF

14 THE PROBLEM. THIS IS PART OF THE PROBLEM, AND I WANTED

15 TO ASK ABOUT THAT.

16 THE OTHER THING IS THAT WHEN I DID MY EX

17 PARTS THIS MORNING, I SAID THAT I HAD TALKED TO THE

18 FOLKS FROM CUSTER LANE BECAUSE THEY WERE IN HAVING

19 BREAKFAST AT LYONS AT 6:30 THIS MORNING. THEY HAD

20 DRIVEN DOWN FROM OROVILLE. AND SO IT'S 3:30, AND I

21 APPRECIATE IT'S BEEN A LONG DAY FOR YOU. SO OBVIOUSLY

22 YOU SEE WE ARE DOING SOME BUSINESS TODAY, BUT I THINK

23 YOUR TESTIMONY IS IMPORTANT.

24 BUT I'LL TELL YOU THE TRUTH FOR ME THAT

25 THE PICTURES THAT YOU GAVE AND THE U-HAUL TRUCKS BEING



1 THERE IS A VERY SIGNIFICANT PIECE OF THIS BECAUSE THAT,  
2 IN FACT, IS NOT A LICENSED TIRE HAULER.

3 MS. ELMS: WE REALIZE THAT. THANK YOU.

4 CHAIRMAN PENNINGTON: THANK YOU, MS. ELMS.

5 NEXT WE HAVE LENORA STEVENSON.

6 MS. STEVENSON: I CAN EXPAND ON THE U-HAULS  
7 TOO. I HAVE IT ON CAMCORDER WITH THE TIME AND THE  
8 DATES AND THE PLACE AND WITH THEM ACTUALLY UNLOADING  
9 THE TIRES FROM THE TRUCKS.

10 MY NAME IS LENORA STEVENSON, CAPITAL L-E  
11 CAPITAL N-O-R-A STEVENSON, WITH A V, FROM OROVILLE. AS  
12 I STATED JANUARY 15TH, THE OPENING SENTENCE IN YOUR  
13 OUTREACH AND EDUCATION COMMUNICATIONS PLAN CAUGHT MY  
14 EYE, WHICH STATES, "THE WASTE MANAGEMENT BOARD HAS TWO  
15 PRIMARY ROLES, PROTECT PUBLIC HEALTH AND SAFETY AND THE  
16 ENVIRONMENT THROUGH THE OVERSIGHT OF SOLID WASTE  
17 FACILITIES." A PROFOUND STATEMENT. OVERSIGHT AS IN  
18 ENFORCEMENT OR AS IN CONTINUED OBSERVATION OR BOTH? OR  
19 DOES THIS HAVE ANOTHER MEANING?

20 WE HAVE ON CUSTER LANE IN OROVILLE A TIRE  
21 WHATEVER. SOME CALL IT RECYCLER, OTHERS STORAGE. I  
22 CALL IT WHAT IT IS, A TIRE DUMP. MY EXPERIENCE WITH  
23 THE WORD "RECYCLE" MEANS RENEWING OR MOVEMENT, A  
24 CONTINUING ON, OR A NEW USE. EXAMPLE: YOU SAY I'M FROM  
25 THE KITCHEN. LEFTOVER BREAD MAKES PUDDING,



1 REFRIGERATOR LEFTOVERS, SOUP OR CASSEROLES; ROAST BEEF,  
2 HASH. IN OTHER WORDS, GETTING MORE THAN THE ORIGINAL  
3 USE OUT OF MATTER.  
4 THIS INVOLVES MOVEMENT OF SORTS, NOT  
5 STAGNANT, STATIONARY, POSITIONS THAT THESE TIRES ASSUME  
6 DAILY. THE ONLY MOVEMENT THAT WILL PROBABLY OCCUR IS  
7 IF A 3.8 ON THE RICHTER SCALE HAPPENS ON SAID  
8 PROPERTY. WELL, THERE IS SOME MOVEMENT THERE. THEY DO  
9 BRING IN U-HAULS, PICKUPS, TRAILER SEMIS, PLACING MORE  
10 TIRES ON THE PROPERTY.  
11 WITH THESE NO-MOVEMENT TIRES, THERE IS  
12 HOUSING. NOT ON A GRAND SCALE AS IN AN UPPER ECHELON  
13 COMPLEX DUE TO THE INHABITANTS. I COULD INTRODUCE YOU  
14 TO THESE RESIDENTS, BUT THIS IS NOT A DISNEY  
15 PRODUCTION. WITH MINNIE AND MICKEY MOUSE OR RAT FINK  
16 HARRY AND HIS TRIBE OF RELATIVES OR HIS DISTANT  
17 COUSINS, FLEA INFESTED GROUND SQUIRRELS, AND THAT GRASS  
18 THAT LOOKS LIKE IT'S SWAYING IN THE BREEZE IS ACTUALLY  
19 A RATTLER, MAYBE A GROUP. YOU CALL THEM HERDS. NEVER  
20 MIND THE MOSQUITOES. THEY'RE ONLY HERE FOR A LITTLE  
21 WHILE. AFTER ALL, WE DO HAVE A DRY SEASON. AND  
22 BESIDES, MOSQUITO ABATEMENT SAYS MOSQUITOES INCUBATING  
23 IN THESE TIRES ARE THE NONBITING KIND. AFTER ALL, THEY  
24 DO MIGRATE.  
25 MOSQUITOES INCUBATING IN THESE TIRES -- I



1 JUST SAID THAT, THE NONBITING KIND. WELL, THE ONLY  
2 INFLUX MIGRATION OF MOSQUITOES WERE WHEN THREE  
3 UNLICENSED SEMITRAILER LOADS WERE TRANSPORTED ON COUNTY  
4 ROADS AND HIGHWAY 70 FROM THE OROVILLE PACIFIC HEIGHTS  
5 LOCATION. THEY WERE HOUSED THERE FOR MONTHS THAT I  
6 KNOW OF, AND THEY ARE STILL IN THOSE VEHICLES AND HAVE  
7 BEEN ON CUSTER LANE FOR OVER FOUR MONTHS, SEPTEMBER 12,  
8 1997, 3:15 P.M. WITH THE FIRST TIME ON FILM. BUT IF MY  
9 MEMORY IS CORRECT, THEY CAME IN THE EVENING BEFORE.  
10 IF THESE TIRES COULD SPEAK, I BET THE  
11 TIRES ON THE BOTTOM OF THE PILE AT PACIFIC HEIGHTS  
12 COULD TELL YOU THEY HAVE BEEN THERE SINCE 1993 WHEN THE  
13 OPERATION WAS STARTED. BET IT WOULD BE A GOOD GUESS.  
14 A BOARD MEMBER MR. JONES ASKED IF TIRES  
15 WERE MOVED FROM ONE LOCATION TO THE OTHER. THE ANSWER  
16 IS YES. WE HAVE THE PICTURES THERE. THESE SAME LOADS  
17 ARE STILL AT CUSTER LANE. THE ONE ON PACIFIC HEIGHTS  
18 HAS A BILLBOARD IN THERE, AND IN THE CENTER OF THE  
19 PICTURE IT SAYS STEVE ARSILLO, CONTRACTOR, INCOR-  
20 PORATED.  
21 AS TO THE NONBITING MOSQUITOES, WHY DO WE  
22 HAVE ITCHY BUMPS? MOSQUITO ABATEMENT STATED ON JANUARY  
23 13TH TO SOME OF US RESIDENTS THAT WE ARE REALLY GOING  
24 TO HAVE A MAJOR PROBLEM COME SPRING.  
25 I NEED TO MENTION THE LARGE AMOUNT OF



1 FLIES THAT WERE CONSTANT COMPANY, SOME OF THEM HUGE AND  
2 BITING, MAKING IT A BIG PROBLEM LATE SUMMER, FALL, AND  
3 EARLY WINTER. WE HAD FLIES BEFORE, BUT NOTHING OF THIS  
4 MAGNITUDE. THEY MUST HAVE BEEN PASSENGERS IN THE  
S TIRES. WHEN UNLOADED, SOME HAD LIQUID JARRED FROM THEM  
6 WHEN BOUNCED FROM THE UNLOADING.  
7 GUESS I FORGOT TO MENTION SANITATION.  
8 SINCE THE FIRST TIRE PLACEMENT ON JUNE 20, 1997, THERE  
9 HAS BEEN NO TOILET FACILITIES ON THE CUSTER LANE SITE.  
10 SIGHTINGS OF RELIEVING THEMSELVES WHEN STANDING IN THE  
11 OPEN STARING AT MORE THAN ONE PERSON, AT ONE RESIDENT,  
12 ONE WHO IS A YOUNG FEMALE, WHILE URINATING ON THE  
13 GROUND. WHILE AT NUMEROUS TIMES TOILET PAPER WAS SEEN  
14 PASSING BACK AND FORTH AMONGST THEMSELVES, AND THEN WE  
15 HAVE THE SHOVEL COME OUT AND DO ITS DUTY. I GUESS YOU  
16 COULD CALL THIS SHOVEL SANITATION.  
17 THEN LIKE GOMER PYLE USED TO SAY,  
18 SURPRISE, SURPRISE. JANUARY 15, 1998, THE DATE OF THE  
19 MEETING HERE, THEY HAD A PORTABLE TOILET BROUGHT TO THE  
20 PROPERTY IN THE EARLY A.M., THE FIRST OF ITS KIND.  
21 NEVER DID SEE ONE ON THE PACIFIC HEIGHTS LOCATION, BUT  
22 THEY WERE UNWANTED GUESTS AT THE MOBILE HOME PARK  
23 ACROSS THE ROAD, USING THEIR FACILITIES WHEN TOLD NOT  
24 TO. THEN THERE IS A DELIBERATE OPEN DRAINAGE FROM  
25 CUSTER LANE'S LOT RUNNING ACROSS FOUR OTHER PROPERTIES,





1 WHICH IS ALSO ON FILM.  
2 TWICE THIS STATEMENT HAS BEEN MADE, THAT  
3 THESE TIRES COME FROM LANDFILLS. THIS STATEMENT BRINGS  
4 TO MIND GARBAGE, THEN PROGRESSES TO CONTAMINATION. AND  
5 WHO KNOWS JUST WHAT KIND THAT IS BROUGHT WITHIN A  
6 HUNDRED FEET OR LESS FROM OUR HOMES, OUR FRONT  
7 DOORSTEPS, IN FACT, ON OUR ONE-WAY, DEAD-END, PRIVATE  
8 ROAD, WHERE WE HAVE TO PASS BY TO GET TO THE OUTSIDE  
9 WORLD. THERE IS FOUR TO FIVE CHILDREN WALKING TO AND  
10 FROM SCHOOL EVERY DAY AND ANOTHER THREE YOUNGER  
11 GRANDCHILDREN LIVING DIRECTLY ACROSS FROM THIS DUMP.  
12 I THINK THIS IS A GOOD PLACE TO MENTION  
13 THE POTENTIAL FIRE HAZARD. HOW DO WE ELDERLY, YOUNG  
14 CHILDREN, AND GROWNUPS ET OURSELVES AND ANIMALS OUT  
15 WHEN OUR ONLY ACCESS IS PRACTICALLY THROUGH THE SMOKE  
16 AND FUMES? BET THEY'LL BE COUNTING THE DEAD IF THEY  
17 CAN FIND ANY REMAINS. A GOOD MANY ISN'T CAPABLE OF  
18 WALKING.  
19 WE KNEW WHAT WAS IN THE AREA WHEN WE  
20 BOUGHT OUR PROPERTIES, AND WE DON'T LIVE ALL THAT CLOSE  
21 TO OUTSIDE INFLUENCES EXCEPT FOR THIS NEW TIRE DUMP  
22 FOISTED ON US THAT AFFECTS US. AND WE CAN AND DO LIVE  
23 WITH THE SAWMILL, IN FACT TWO, BUT THEY IN NO WAY  
24 HINDER OUR LIFESTYLES THAT HAVE AFFECTED US ENOUGH THAT  
25 THEY HAVE CAUSED US PROBLEMS OR THAT WE HAVE THE URGE



1 TO MOVE.  
2 WE HAVE A GOOD MANY YEARS INVESTED IN  
3 THIS SECLUDED NEIGHBORHOOD, A COMBINED TOTAL OF 365  
4 YEARS. THAT AVERAGES OUT TO 19 YEARS PER HOUSEHOLD  
5 BEING 20 RESIDENTS. AND WE WERE LOOKING FOR A GOOD  
6 MANY MORE UNTIL THIS HIT US SQUARE IN THE FACE. AND  
7 OVER THE SPAN OF OUR LIVES, WE HAVE PROBLEMS. SOME WE  
8 CAN HANDLE, OTHERS WE CAN'T. THIS IS ONE AREA WHERE WE  
9 NEED HELP, AND IT'S NEEDED BADLY AND APPRECIATED BY ALL  
10 OUR RESIDENTS WHO THANK YOU FOR ALL YOUR TIME AND  
11 EFFORT IN THIS MATTER BEFORE YOU. THANK YOU.

12 CHAIRMAN PENNINGTON: THANK YOU. ANY  
13 QUESTIONS OF MS. STEVENSON?

14 BOARD MEMBER JONES: I HAVE ONE QUESTION. AND  
15 I THINK YOU ANSWERED IN THE JANUARY 15TH MEETING, BUT  
16 WE GOT A LETTER, I THINK, DURING THAT MEETING FROM THE  
17 COUNTY BOARD OF SUPERVISORS ASKING US TO TAKE ACTION IN  
18 THIS ISSUE.

19 MS. STEVENSON: WE KNOW ABOUT THAT.

20 BOARD MEMBER JONES: THIS IS A -- AND THEY  
21 SUPPORTED THE SAME THING YOU HAD. BUT I'M WONDERING --  
22 AND THIS ISN'T SO MUCH ABOUT THE TIRE EXCLUSIONS, BUT I  
23 MEAN THERE'S SIX OF YOU SITTING HERE -- WHAT HAS THE  
24 COUNTY DONE ABOUT THE LAND USE ISSUES IN THAT  
25 NEIGHBORHOOD? HAS THIS BEEN BROUGHT UP AS A -- DO THEY



1 FEEL THAT THEY'VE GOT A --

2 MS. STEVENSON: THE COUNTY

3 BOARD MEMBER JONES: -- GOT TO LOOK TO US?

4 MS. STEVENSON: THE COUNTY FEELS THEY HAVE TO  
5 MOVE SLOW. IT IS IN LITIGATION, AND IT IS COMING UP, I  
6 THINK, IN MARCH.

7 BOARD MEMBER JONES: BEFORE YOU LEAVE, I WANT  
8 TO ASK ONE OTHER QUESTION THEN. THERE'S A LETTER THAT  
9 WE GOT IN OUR PACKET FROM PACIFIC HEIGHTS MOBILE HOME  
10 PARK THAT EVERYBODY SIGNED. IS ONE OF THOSE -- ARE ONE  
11 OF THOSE PEOPLE HERE THAT WROTE THIS LETTER?

12 MS. STEVENSON: NO. NO. A LOT OF THEM ARE  
13 WORKING.

14 BOARD MEMBER JONES: THEY JUST SENT IT IN. I  
15 DON'T HAVE A PROBLEM WITH THAT. ONE OF THESE LETTERS  
16 SAYS THESE TIRES WERE SPRAYED WITH DIESEL FUEL.

17 MS. STEVENSON: ABSOLUTELY. ACCORDING TO  
18 SOMEBODY THAT STATED, THEY HAVE BEEN OVER THERE ON  
19 CUSTER LANE, BUT I CAN'T VERIFY THAT, BUT THEY HAVE  
20 PROOF OF IT BEING DONE ON PACIFIC HEIGHTS.

21 BOARD MEMBER JONES: THANK YOU. CAN I ASK  
22 STAFF A QUESTION?

23 DO WE KNOW -- HAVE THESE TIRES BEEN  
24 SPRAYED WITH DIESEL FUEL?

25 MR. BEGLEY: SOME OF THE TIRES THAT I SAW WERE



1 SPRAYED WITH DIESEL FUEL FOR MOSQUITO REASONS, TO  
2 PREVENT BREEDING OF MOSQUITOES IN THE WATER.  
3 OFTENTIMES YOU SEE OIL --

4 BOARD MEMBER JONES: FOR MOSQUITO CONTROL.  
5 BECAUSE I'M THINKING SOMETHING DIFFERENT, AND IT'S THE  
6 DIESEL FUEL IS SOMETHING THAT IS VERY FLAMMABLE AND CAN  
7 BE A PRETTY GOOD STARTER IN A TIRE FIRE. AND, YOU  
8 KNOW.

9 MS. STEVENSON: THAT'S WHAT WE'RE AFRAID OF  
10 TOO, IF SOMEBODY SMOKES OVER THERE.

11 BOARD MEMBER JONES: I UNDERSTAND. THANK  
12 YOU.

13 CHAIRMAN PENNINGTON: OKAY. NEXT IS CALLAN  
14 CALLAHAN.

15 MR. CALLAHAN: I'M HERE ALSO TO SPEAK ON THIS.  
16 I'M SURE YOU REALIZE WE ARE AGAINST THESE EXCLUSIONS.  
17 I'M SURE EVERYBODY KNOWS THE MANDATE OF THIS BOARD IS  
18 TO PROTECT THE ENVIRONMENT AND THE PUBLIC HEALTH AND  
19 SAFETY, BUT THEY'RE ALSO MINDFUL OF RECYCLING NEEDS.  
20 TO THOSE ENDS, THE EXCLUSIONS WERE CREATED. BUT AS  
21 THEY STAND, THEY ARE UNENFORCEABLE.  
22 FOR EXAMPLE, TO BE MORE SPECIFIC, TO  
23 SECTION 18420(B) WHICH KIRK & SON OPERATES UNDER,  
24 STATES, FIRST OF ALL, THAT 90 PERCENT OF ALL TIRES OR  
25 NINE OUT OF TEN TIRES RECEIVED IN A 150-DAY PERIOD MUST



1 BE REMOVED. SINCE JULY, I HAVE BEEN LOOKING OUT MY  
2 LIVING ROOM WINDOW AT A CELL THAT MEASURES  
3 APPROXIMATELY 60 FOOT BY A HUNDRED FOOT BY EIGHT FOOT  
4 HIGH.  
5 NOW, THAT 150-DAY PERIOD, WHEN IT'S OVER,  
6 THAT CELL SHOULD BE NO BIGGER THAN 6 FOOT BY 10 FOOT BY  
7 8 FOOT, AND THAT CELL STILL IS THE SAME SIZE. THAT'S  
8 JUST DEALING WITH THIS ONE CELL. RIGHT NOW I ESTIMATE  
9 THERE'S ABOUT TEN OR 11 CELLS BECOMING THE SAME  
10 CONDITION.  
11 THE SECOND REQUIREMENT OF THE EXCLUSION  
12 IS THAT NO MORE THAN 25 PERCENT OF ALL TIRES RECEIVED  
13 IN THE LAST 150-DAY PERIOD BE ON SITE. SINCE THIS SITE  
14 WAS NOT IN OPERATION THE LAST 150 DAYS AND THERE'S NO  
15 PROVISIONS MADE IN THIS EXCLUSION, THERE SHOULD BE NO  
16 TIRES, PERIOD.  
17 AND THE FINAL, AND I THINK THE MOST  
18 IMPORTANT, IS THAT, AND I QUOTE FROM THE EXCLUSION,  
19 THAT PROCESSES RECYCLABLE TIRES. ACCORDING TO THE  
20 DEFINITIONS IN THE 184220, A RECYCLABLE TIRE IS A TIRE  
21 WHICH CANNOT LEGALLY BE DESCRIBED AS A NEW TIRE, BUT  
22 SUCH IS FREE OF PERMANENT PHYSICAL DAMAGE AND MAINTAINS  
23 SUFFICIENT MATERIAL TO PERMIT ITS USE IN RETREADING,  
24 REPAIRING, OR RECONDITIONING. DO TIRES WITH NO BEADS,  
25 HOLES THROUGH THE FABRIC, OR ARE BEING CUT UP MEET THIS



1 CRITERIA? I CAN LOOK OUT MY WINDOW EVERY DAY AND SEE  
2 HUNDREDS OF SUCH TIRES.  
3 ONE MIGHT ASK WHAT'S THE INCENTIVE FOR  
4 NOT FOLLOWING THIS EXCLUSION? WHY WOULD SOMEBODY BE IN  
5 THIS BUSINESS? WELL, WHEN YOU GET \$1 A TIRE FOR A CAR  
6 TIRE OR UP TO A HUNDRED FOR EQUIPMENT TIRE, YOU'VE GOT  
7 A GREAT INCENTIVE TO BRING THOSE TIRES IN. WHAT ABOUT  
8 BRINGING THEM OUT?  
9 AS I'VE LEARNED, THERE SEEMS TO BE  
10 PRIMARY OUTLETS -- AND I'VE HEARD THIS FROM MR. COFER  
11 HIMSELF -- IS THAT, ONE, HE TAKES THEM TO CEMENT KILNS  
12 AND THE SECOND, HE SELLS THEM TO THINGS LIKE TUGBOATS  
13 OR DOCKS. BUT LET'S TAKE THE FIRST ONE, KILNS. I HAVE  
14 LEARNED SINCE THAT IT'S MY UNDERSTANDING THAT YOU HAVE  
15 TO PAY CEMENT KILNS, ESPECIALLY THE ONE HE DEALS WITH,  
16 TO TAKE THESE TIRES. THEN ONLY CERTAIN SIZES AND ONLY  
17 WHEN THEY NEED THEM.  
18 SECOND, LET'S LOOK AT THE TUGBOATS. IT  
19 DOESN'T SEEM REASONABLE TO ME WHEN A TUGBOAT OWNER  
20 COULD PROBABLY GO TO HIS LOCAL TIRE DEALER, A TIRE  
21 DEALER WHO HAS TO PAY TO HAVE TIRES REMOVED, AND  
22 PROBABLY GET THEM FOR FREE. AFTER ALL, I'M SURE THE  
23 TIRE DEALER WOULD RATHER SAVE HIMSELF THAT MONEY AND  
24 GET RID OF THEM.  
25 IT SEEMS TO ME THAT WITH THE MAJORITY OF



1 YOUR PROFIT BEING MADE BY BRINGING THESE TIRES IN AND  
2 NOT OUT, THEY HAVE A GREAT INCENTIVE OF BRINGING THEM  
3 IN, BUT NOT TAKING THEM OUT. WHAT WOULD HAPPEN? ONCE  
4 THE LOT IS FILLED, YOU WANT TO GO THROUGH THE EXPENSE  
5 OF REMOVING THEM, OR WOULD YOU JUST WALK OFF AND LEAVE  
6 IT FOR THE TAXPAYERS OF THE STATE TO CLEAN UP.  
7 THAT IS WHY I'M IN FAVOR OF THE REMOVAL  
8 OF THIS EXCLUSION. NOW, I WAS AT THE RECENT PERMITTING  
9 AND ENFORCEMENT DIVISION, AND THERE WAS GREAT CONCERN  
10 ABOUT THE LEGITIMATE OPERATORS. THEY WANT TO GIVE A  
11]. TIMETABLE. I'M IN FAVOR OF THE TIMETABLE, PROVIDED  
12 IT'S REASONABLE. I THINK 30, 60 DAYS FOR APPLICATION  
13 OF THE PERMIT IS REASONABLE, BUT I ALSO SEE THAT IF THE  
14 OPERATOR HAS OVER 5,000 TIRES, THAT MAYBE EVEN WHILE  
15 THE APPLICATION IS BEING HEARD, IT SHOULD NOT BE  
16 ALLOWED TO BRING ANY NEW TIRES IN OR AT LEAST NO NET  
17 INCREASE IN TIRES. AFTER ALL, CAN ANYBODY PROCESS  
18 5,000 TIRES AT ONE TIME, ESPECIALLY LARGE EQUIPMENT  
19 TIRES.  
20 ALSO, A CONCERN WAS MADE ABOUT THE  
21 RECORDS. SOMETIMES TIRES ARE KEPT RECORD AS SINGLE  
22 TIRES COMING IN, WEIGHT GOING OUT. I THINK THE  
23 RECORDKEEPING FROM NOW ON SHOULD BE KEPT BY WEIGHT  
24 ONLY. THAT WAY TIRE EQUIVALENTS CAN BE EASILY  
25 DETERMINED, AND ANYBODY -- YOU CAN DETERMINE EXACTLY



1 HOW MANY TIRES HAVE GONE IN AND OUT OF A CERTAIN SITE.  
2 ALSO, ANOTHER THING THAT WAS BROUGHT UP  
3 WAS THE NEED FOR A NEW EXCLUSION. I THINK WE COULD BE  
4 IN FAVOR OF A NEW EXCLUSION PROVIDED THERE ARE VERY  
5 TIGHT CONSTRAINTS ON IT. FIRST OF ALL, I THINK THAT  
6 THE LAST COPY I SAW, AND I JUST SAW THE NEW ONE, I  
7 HAVEN'T HAD A CHANCE TO GO OVER IT, STATED IT WAS FOR  
8 MANUFACTURING ONLY. I THINK THERE BETTER BE A VERY  
9 TIGHT DEFINITION OF MANUFACTURING. DOES CUTTING UP  
10 TIRES QUALIFY FOR MANUFACTURING?  
11 OKAY. I ALSO BELIEVE THAT EVEN THOUGH  
12 THIS MAY BE A REPEAT OF WHAT'S ALREADY IN CODE, I THINK  
13 THAT IF YOU'RE OPERATING UNDER EXCLUSION, RIGHT IN THE  
14 EXCLUSION IT SHOULD STATE THAT THIS DOES NOT EXCLUDE  
15 YOU FROM ANY OTHER AGENCIES' REGULATIONS, BE IT CITY,  
16 STATE, OR COUNTY.  
17 ALSO, THAT, AS I STATED BEFORE, ALL  
18 MANIFESTS SHOULD BE KEPT BY WEIGHT ONLY, THAT THE LOCAL  
19 GOVERNMENTS, CITY AND COUNTY, SHOULD BE INFORMED PRIOR  
20 TO THE EXCLUSION BEING GRANTED SO THEY HAVE A GOOD SAY  
21 IN THE GRANTING OF THE EXCLUSION. THAT WAY IF THERE IS  
22 SUCH A THING AS A LAND USE ISSUE, THAT COULD BE  
23 ADDRESSED AT THAT TIME.  
24 ALSO, I THINK IT WOULD BE PRUDENT THAT  
25 THE PROPERTY OWNER -- THAT THE PERSON WHO OWNS THE





1 PROPERTY OUTRIGHT MUST BE FORCED TO SIGN AN AGREEMENT,  
2 RESPONSIBILITY FOR CLEANUP. OTHERWISE SOMEBODY COULD  
3 PUT A DOWN PAYMENT ON A PIECE OF PROPERTY, FILL IT WITH  
4 TIRES AND WALK OFF, AND WHO'S GOING TO BE STUCK WITH  
5 THOSE TIRES? EITHER THE TAXPAYERS OF THE STATE OR THE  
6 PREVIOUS LANDOWNER. I THINK EVERYBODY WOULD AGREE  
7 THAT'S NOT RIGHT.  
8 ALSO, THERE WAS A POINT MADE OUT BY SOME  
9 OF THE OTHER PEOPLE FROM CUSTER LANE THAT TIRES MOVE  
10 FROM ONE SITE TO ANOTHER. I THINK IF A SINGLE OPERATOR  
11 OWNS MORE THAN ONE SITE, UNLESS THOSE SITES ARE  
12 COMPLETELY AND TOTALLY SEPARATE AND ARE TOTALLY  
13 INDEPENDENT OPERATIONS, THAT ALL THE TIRES SHOULD BE  
14 CONTINUED AS ONE COUNT. THAT WAY HE CAN'T SHIFT ONE  
15 SITE TO ANOTHER AND BACK AND FORTH IN ORDER TO HIDE  
16 THAT HE'S MEETING ANY TERMS OF AN EXCLUSION.  
17 AND LAST, I THINK IT SHOULD BE THE FACT  
18 THAT IT'S NOT UP TO THE STATE TO PROVE NONCOMPLIANCE  
19 WITH THE EXCLUSION. I THINK IT SHOULD BE UP TO THE  
20 OWNER TO PROVE THAT HE IS IN COMPLIANCE.  
21 I THANK YOU FOR LISTENING TO ME, AND I  
22 HOPE YOU DO VOTE TO REMOVE THE EXCLUSIONS.

23 CHAIRMAN PENNINGTON: ANY QUESTIONS?

24 BOARD MEMBER JONES: NO. I AGREE WITH HIM.

25 CHAIRMAN PENNINGTON: NEXT IS JIM SEAL.



1 MR. SEAL: THANK YOU VERY MUCH. I'M NOT GOING  
2 TO BE ABLE TO ADDRESS ALL OF THE ISSUES THAT WERE  
3 RAISED HERE. I WOULD LIKE TO ADDRESS IN GENERAL -- DAN  
4 BLACKSTOCK, AN ATTORNEY FOR COFER & SON TIRES. YOU MAY  
5 WANT TO ASK ANY QUESTIONS, WE'D LIKE TO BOTH ANSWER  
6 THEM.  
7 I REALIZE THIS IS A VERY CONTROVERSIAL  
8 ISSUE, AND THERE IS NO PERFECT SOLUTION TO THIS  
9 PROBLEM. HOWEVER, ON THE REVISED AGENDA THAT WAS  
10 RECEIVED THIS WEEK, I WOULD LIKE TO REFER TO THAT  
11 BECAUSE I THINK SCENARIO NO. 2 RAISES AN IMPORTANT  
12 QUESTION AND MAYBE IS THE BEGINNING OF A SOLUTION TO  
13 THIS.  
14 ON PAGE 7 OF THE STAFF ANALYSIS, ON  
15 SCENARIO 2, IT HAS A PRO AND A CON, AND IN THE PRO IT  
16 SAYS, AND I WOULD JUST LIKE TO QUOTE IT, "THE LONGER  
17 PERIOD ALLOWS FORMERLY EXCLUDED OPERATORS TO HELP SHAPE  
18 THE EVENTUAL OUTCOME IN A FAIR AND EQUITABLE WAY."  
19 THIS SCENARIO REQUIRES CURRENTLY EXCLUDED OPERATORS TO  
20 MEET STATE STANDARDS AND ELIMINATES THE ISSUANCE OF NEW  
21 EXCLUSIONS, WHICH I THINK, BASED ON EVERYTHING I HAVE  
22 HEARD, IS PROBABLY GREATLY SUPPORTED.  
23 BUT IT IS IMPORTANT. I WANT TO, BASED ON  
24 THAT, ALTHOUGH THIS IS NOT THE RECOMMENDED STAFF  
25 SCENARIO, I WOULD LIKE TO RAISE TWO SEPARATE ISSUES



1 THAT I THINK SUPPORTS THAT SCENARIO. NO. 1 IS CLEARLY  
2 THE DUE PROCESS. IN A GENERAL WAY, IF AN OPERATOR HAS  
3 ALREADY GONE THROUGH THE LOCAL PROCESS AND PERMITTING  
4 PROCESS AND ZONING PROCESS TO OBTAIN A SITE, TO THEN  
5 RETROACTIVELY COME BACK AND REQUIRE AGAIN LOCALLY NEW  
6 ZONING STANDARDS OR NEW ENVIRONMENTAL REVIEWS TO AN  
7 EXISTING SITE IS VERY PROBLEMATIC WITHOUT SUPPORTING  
8 EVIDENCE IN TERMS OF HOW WE'RE GOING TO GO ABOUT ANY  
9 EMERGENCY REGULATION OR THE LONG-TERM REGULATIONS.  
10 BUT NO. 2, AND I THINK THIS MAY BE ABLE  
11 TO DEAL WITH SOME OF THE CONCERNS THAT ARE RAISED FROM  
12 ALL SIDES, AND THAT IS THE ECONOMIC AND ENVIRONMENTAL  
13 IMPACTS OF WHAT IS PROPOSED IN SCENARIO NO. 3, WHICH  
14 WOULD BE THE SHORTER TIME FRAME FOR TRANSITION INTO  
15 COMPLIANCE EITHER AS A MINOR FACILITY OR AS A MAJOR  
16 FACILITY.  
17 WE HAVE EIGHT YEARS SINCE 1991 OF  
18 EXCLUSIONS. UNDER THIS NO. 3 SCENARIO, OVERNIGHT OR IN  
19 A VERY SHORT PERIOD OF TIME, WITHIN A FEW MONTHS, AS I  
20 UNDERSTAND IT, IT WOULD REQUIRE A COMPLETELY NEW  
21 PROCESS TO ALLOW THESE OPERATORS TO CONTINUE TO  
22 OPERATE. IF THAT IS THE CASE, THE IMPACTS ON THAT HAVE  
23 TO BE EVALUATED AS TO WHAT IS THE ANALYSIS, WHAT WOULD,  
24 IN FACT, BE THE IMPACTS OF A VERY SHORT TIME PERIOD OF  
25 COMPLIANCE, WHAT THAT COMPLIANCE WOULD BE IF YOU WENT



1 THROUGH, AS I UNDERSTAND, AN EXPEDITED FORM OF A MINOR  
2 FACILITY OR A MAJOR FACILITY DEPENDING ON THE SIZE OF  
3 THE NUMBER OF WASTE TIRES AT THE SITE.  
4 IN OTHER WORDS, HOW MANY COMPANIES COULD  
5 ECONOMICALLY SURVIVE THE TRANSITION, NO. 1? IN OTHER  
6 WORDS, WHAT IS THE DATA THAT WE HAVE ON THESE COMPANIES  
7 OF HOW MUCH THEY'RE RECYCLING AT THE PRESENT TIME AND  
8 WHETHER THEY HAVE THE ABILITY TO TRANSITION TO THE NEW  
9 MINOR SITE BECAUSE IT IS DIRECTLY RELATED AS TO WHETHER  
10 OR NOT WE HAVE A SITE THAT IS NOT GOING TO THEN HAVE  
11 THE NEGATIVE ECONOMIC EFFECT OF BEING AN ILLEGAL SITE.  
12 WE HAVE, AND I THINK WE ALL AGREE, A  
13 NUMEROUS NUMBER OF ILLEGAL TIRE SITES IN THE STATE OF  
14 CALIFORNIA. THE WHOLE PURPOSE, AS I UNDERSTAND IT, OF  
15 THE EXCLUSIONARY CATEGORY WAS TO TRY TO ENCOURAGE MORE  
16 COMPETITION IN THE AREA OF RECYCLING TIRES THAT WERE  
17 MORE OUTLETS FOR THE WASTE TIRES SO THAT THESE EXCLUDED  
18 FACILITIES COULD TURN AROUND EITHER AS RETREADERS OR AS  
19 RECYCLERS RECYCLING HARD TO RECYCLE TIRES LIKE, FOR  
20 INSTANCE, EARTH MOVING TIRES, LARGE TRUCK TIRES, FOR  
21 EXAMPLE, INTO BREAKWATER, TUGBOATS, AGRICULTURAL USES.  
22 THESE ARE REAL USES.  
23 THESE USES OF THESE TIRES THAT KIRK & SON  
24 HAS TAKEN IN OVER A LONG PERIOD OF TIME CAN BE  
25 DOCUMENTED AS TO WHERE THOSE TIRES GO. THEY CERTAINLY



1 DON'T ALL GO INSIDE OF CALIFORNIA. MANY OF THOSE TIRES  
2 GO FAR AWAY FROM CALIFORNIA. THERE ARE DOCUMENTED USES  
3 OF THOSE TIRES, THAT THEY, IN FACT, CAN BE RECYCLED.  
4 I WANT TO POINT OUT ON THE IMPACTS, IF  
5 YOU LOOK AT PAGE 5 OF THE STAFF REPORT, AND THIS IS THE  
6 ANALYSIS, AND WAS SAID BEFORE, THERE ARE EIGHT SITES  
7 THAT WOULD CONVERT OVER INTO THE MAJOR FACILITIES. IT  
8 SAYS, FOR THOSE FACILITIES THAT WOULD BE REQUIRED TO  
9 OBTAIN A MAJOR WASTE TIRE FACILITY PERMIT, THE COST  
10 COULD BE SIGNIFICANT. THE COST TO ESTABLISH A  
11 FINANCIAL MECHANISM TO ENSURE PROPER CLOSURE OF THE  
12 FACILITY AND TO ENSURE AGAINST ENVIRONMENTAL  
13 LIABILITIES COULD BE PROHIBITIVE.  
14 MY QUESTION IS A VERY SIMPLE ONE. WHAT  
15 THEN DOES THAT MEAN? IF THAT SITE IS UNABLE TO  
16 TRANSITION IN A SHORT PERIOD OF TIME TO A MAJOR  
17 FACILITIES SITE, WHAT ARE THE IMPACTS, WHAT ARE THE  
18 EFFECTS OF THAT SCENARIO? DOES THAT THEN BECOME AN  
19 ILLEGAL TIRE SITE? DO WE KNOW IN MANY CASES HOW MANY  
20 TIRES ARE ACTUALLY BEING RECYCLED? DO WE NEED TO  
21 TIGHTEN UP THE REGULATION OR LOOSEN THE REGULATION IN  
22 TERMS OF THE EXCLUSIONS AND HOW MANY TURNOVERS THAT  
23 THERE ARE?  
24 WHAT I'M TRYING TO SAY IS THAT WE DON'T  
25 HAVE ALL OF THE EVIDENCE TO MAKE A BLANKET EMERGENCY



1 EXCLUSION - - EMERGENCY ELIMINATION OF THAT EXCLUSION  
2 BECAUSE WE HAVEN'T ASSESSED WHAT THOSE EFFECTS WOULD BE  
3 ON THOSE SITES. CAN THOSE SITES SURVIVE? IF THOSE  
4 SITES DON'T SURVIVE, WHAT HAPPENS TO THOSE SITES?  
5 THESE ARE VERY DIFFICULT QUESTIONS THAT  
6 NEED TO BE ANSWERED BECAUSE THE PURPOSE HERE, AS I  
7 UNDERSTAND IT, AND I COULD BE WRONG, THE PURPOSE IS WE  
8 HAVE TO IN THE LONG TERM THROUGH THE FORMAL RULEMAKING  
9 PROCESS, AND WE SUPPORT THIS, THROUGH THE FORMAL  
10 RULEMAKING PROCESS, THERE ARE GOING TO BE SIGNIFICANT  
11 CHANGES. CAN, AS THE STAFF POINTED OUT IN TWO, CAN THE  
12 EXCLUDED OPERATORS WORK WITH STAFF TO TRANSITION INTO  
13 THAT PERIOD SO YOU DON'T HAVE THAT ISSUE ANYMORE? FROM  
14 THAT POINT ONWARD, YOU'RE BASICALLY LOOKING AT A MINOR  
15 TIRE FACILITY OR A MAJOR TIRE FACILITY WITH ALL OF THE  
16 REQUIREMENTS THAT GO WITH THAT.  
17 THE DIFFICULTY IS HOW DO WE GET FROM  
18 POINT A TO POINT B WITHOUT CAUSING MORE ILLEGAL TIRE  
19 DUMPS, MORE FACILITIES THAT GO UNDER BECAUSE THEY NO  
20 LONGER CAN BE ECONOMICALLY VIABLE DEPENDING ON HOW  
21 STAFF ASSUMES THEY'RE GOING TO TRANSITION THESE 70 TO  
22 80 SITES ACROSS THE STATE INTO MOSTLY MINOR  
23 FACILITIES.  
24 THIS HERE IS -- THIS IS BOTH A  
25 COMBINATION OF A MINOR WASTE TIRE FACILITY APPLICATION



1 AND A MAJOR WASTE TIRE FACILITY APPLICATION. WE'VE  
2 ALREADY POINTED OUT THE FINANCIAL IMPLICATIONS OF A  
3 MAJOR TIRE FACILITY, BUT THERE ARE -- THERE IS A  
4 SIGNIFICANT RIGOROUS EXERCISE THAT AN OPERATOR HAS TO  
5 GO THROUGH FOR A MINOR WASTE TIRE FACILITY. ALL I'M  
6 TRYING TO RAISE IS THAT WE HAVE A SOLUTION TO THIS  
7 PROBLEM. IS THERE A WAY THROUGH SCENARIO NO. 2 THAT WE  
8 CAN, IN FACT, TAKE THESE OPERATORS AND THEY ARE  
9 PERFORMING AT A LEVEL THAT IS AT A CONFIDENCE LEVEL  
10 THAT THE BOARD CAN ACCEPT, AND THEY ARE, IN FACT, DOING  
11 THE RECYCLING THAT WAS ORIGINALLY INTENDED WHEN THE  
12 EXCLUDED DEFINITION WAS AGREED TO THE REGULATION IN  
13 1991.  
14 THIS IS THE KEY FACTOR. HOW CAN WE MAKE  
15 THE SITUATION BETTER, NOT HOW WE CAN EXACERBATE A VERY  
16 DIFFICULT SITUATION AS IT IS NOW AND TRY TO IDENTIFY  
17 THE MARKETS. I THINK THE MARKETS IS PARTLY AN ISSUE OF  
18 WHERE THE TIRES GO, BUT WE CAN DEMONSTRATE THAT THERE  
19 ARE SIGNIFICANT MARKETS FOR TIRES THAT ARE -- HAVE  
20 HERETOFORE BEEN VERY DIFFICULT TO RECYCLE.  
21 THAT MAINLY COVERS MY POINT. I WOULD  
22 LIKE TO ADD INTO THIS THAT THERE WAS AT THE PACIFIC  
23 HEIGHTS SITE, THERE WAS AN AUDIT THAT CALIFORNIA  
24 INTEGRATED WASTE MANAGEMENT DID. I DO HAVE A COPY OF A  
25 LETTER FROM CAL-EPA DATED DECEMBER 29, 1997. IT TALKED



1 ABOUT THE PHASE-OUT OF ONE SITE, BUT THERE IS A TIME  
2 CERTAIN TIME WHEN THAT SITE IS GOING TO BE SHUT DOWN,  
3 SO THERE'S GOING TO BE ONE LESS EXCLUDED SITE IN THE  
4 STATE OF CALIFORNIA NO MATTER WHAT. THAT'S A FACT.  
5 AND AN AUDIT OF THE PACIFIC HEIGHTS SITE, AND THAT SITE  
6 DID PASS THE AUDIT.  
7 I'M NOT SAYING THAT THERE ARE NOT  
8 DIFFICULTIES HERE, BUT WHAT I'M SAYING IS HOW CAN WE  
9 IMPROVE THE SITUATION FOR EVERYONE WITHOUT EXACERBATING  
10 THAT SITUATION AND MAKING IT WORSE AND CREATING  
11 STATEWIDE -- THIS IS ONLY ONE FACILITY. THERE ARE MANY  
12 FACILITIES OUT THERE UNDER THAT EXCLUDED AS WE ALL  
13 AGREE TO. HOW CAN WE NOT TURN IT INTO A SITUATION  
14 WHERE WE'RE ADDING TO THE INVENTORY OF ILLEGAL TIRE  
15 PILES THAT ARE SITTING IN THE STATE OF CALIFORNIA?

16 CHAIRMAN PENNINGTON: I HAVE A QUESTION FOR  
17 YOU, AND THEN MR. JONES WANTS TO ASK YOU.  
18 I NEED TO CLARIFY. YOU ARE WITH KIRK &  
19 SON TIRES?

20 MR. SEAL: YES. I'M A CONSULTANT TO --

21 CHAIRMAN PENNINGTON: YOU ARE AN ATTORNEY?

22 MR. SEAL: NO, I'M NOT. THE ATTORNEY, DAN  
23 BLACKSTOCK, I JUST WANT TO POINT OUT, WAS THE EX-COUNTY  
24 COUNSEL FOR MANY YEARS FOR BUTTE COUNTY, IS THE  
25 ATTORNEY IN THIS MATTER, IS THE ATTORNEY IN THE LOCAL





1 SUIT THAT IS TAKING PLACE, AND CAN MAYBE ADDRESS SOME  
2 OF THE QUESTIONS THAT I CAN'T. I'M TRYING ADDRESS THE  
3 MACRO QUESTIONS AS MUCH AS I CAN IN TERMS OF HOW WE CAN  
4 MOVE FORWARD IN A BETTER WAY.

5 CHAIRMAN PENNINGTON: AND YOU ARE A CONSULTANT  
6 TO KIRK?

7 MR. SEAL: YES, TO KIRK & SON, RIGHT.

8 CHAIRMAN PENNINGTON: OKAY. MR. JONES.

9 BOARD MEMBER JONES: THANKS, MR. CHAIRMAN.  
10 COUPLE OF THINGS THAT YOU BROUGHT UP. ONE WAS THAT HOW  
11 ARE WE'RE GOING -- IF WE GO WITH SCENARIO 2 WITH THE  
12 TIME LINE CERTAIN BASICALLY WITH NO EXCLUSIONS, BECAUSE  
13 THESE EXCLUSIONS WERE CREATED TO -- THEY WERE ONLY EVEN  
14 DONE TO CREATE MARKETS OR RECYCLING. NOW, ON OUR  
15 JANUARY MEETING, I ASKED YOUR CLIENT HOW MANY TIRES YOU  
16 HAVE ON SITE? HE SAID 9,000. THE EXCLUSION IS FOR  
17 5,000 AND BELOW. RIGHT?

18 MS. RICE: I BELIEVE HE HAS THE EXCLUSION  
19 WHICH DOES NOT HAVE A LIMIT. IT'S BASED ON THE  
20 TURNOVER RATE.

21 BOARD MEMBER JONES: TURNOVER. WE ASKED, AND  
22 IT WAS 120 TIRES OUT OF THAT 9,000 THAT HAD MOVED. IF  
23 WE ELIMINATE THE EXCLUSIONS, AREN'T WE PUTTING ALL OF  
24 THE OPERATIONS ON THE SAME PLAYING FIELD?  
25 I THINK THE EFFECT -- TO HAVE TO BE ABLE



1 TO STAY IN BUSINESS BY HAVING AN EXCLUSION THAT DOESN'T  
2 PUT YOU TO THE SAME TEST AS EVERYBODY ELSE THAT  
3 OPERATES IS NOT ONLY A WAY TO STAY IN BUSINESS, IT'S A  
4 WAY TO MAKE A HECK OF A LOT MORE MONEY BECAUSE YOU  
5 DON'T HAVE TO LIVE WITH ANY OF THE OTHER OBLIGATIONS  
6 THAT ANYBODY ELSE DOES.  
7 WE'RE TALKING ABOUT LOCAL ISSUES. YOU  
8 HAD BROUGHT UP HOW TOUGH IT'S GOING TO BE FOR A  
9 LANDOWNER THAT STARTED TO OPERATE UNDER AN EXCLUSION  
10 AND NOW MAY HAVE TO GO IN FRONT OF A CITY COUNCIL OR  
11 SOMETHING LIKE THAT TO GET A PERMIT. I WOULD SUGGEST  
12 THAT PART OF THE EVIDENCE THAT WAS TURNED IN IS MR.  
13 KIRK AND I'M ASSUMING ONE OF HIS EMPLOYEES OR SON, HE'S  
14 ON THAT SIDE OF THE FENCE DOING A ONE-FINGERED SALUTE  
15 TO THE NEIGHBORS PROBABLY ISN'T THE BEST PUBLIC  
16 RELATIONS TO GO ALONG WITH A TIRE PILE LIKE THIS.  
17 I'M HAVING A REAL HARD TIME TRYING TO  
18 UNDERSTAND HOW I HAVE 120 TIRES OUT OF AN INVENTORY OF  
19 9,000 IS A RECYCLING FUNCTION. THAT DOESN'T -- THAT  
20 DOESN'T MAKE ANY SENSE TO ME.

21 CHAIRMAN PENNINGTON: MR. FRAZEE.

22 BOARD MEMBER FRAZEE: IN REFERENCE TO THE  
23 AUDIT OF THE PACIFIC HEIGHTS SITE, CAN YOU ASSURE THIS  
24 BOARD THAT THAT COMPLIANCE WITH THAT AUDIT WAS NOT  
25 ACCOMPLISHED BY MERELY LOADING THE TIRES ON A TRAILER.



1 AND MOVING THEM TO ANOTHER SITE? CAN YOU UNEQUIVOCALLY  
2 MAKE THAT STATEMENT?

3 MR. SEAL: I CAN CONFER WITH ATTORNEY AND  
4 CHECK. ALL I HAVE HERE IS ON ITS FACE THAT THESE TIRES  
5 WERE PROPERLY RECYCLED. AND IN ORDER TO DO THAT, YOU  
6 HAVE TO SHOW A MANIFEST ORDER. SO YOU HAVE TO SHOW  
7 THAT THERE HAS BEEN A RECYCLING FUNCTION, AS I  
8 UNDERSTAND IT, AT THE PACIFIC HEIGHTS SITE.  
9 I CAN SHOW YOU NUMEROUS EXAMPLES OF TIRES  
10 BEING RECYCLED. NOW, THE 120 TIRES, AND WHAT THAT --  
11 WHAT THOSE TIRES WERE, AT WHAT POINT IN TIME WERE THOSE  
12 TIRES MOVED OUT OF THE FACILITY, WHETHER IT WAS PACIFIC  
13 HEIGHTS OR CUSTER ROAD, I CAN TELL YOU OVER A PERIOD OF  
14 TIME, THERE'S BEEN HUNDREDS OF TONS OF TIRES RECYCLED.  
15 NOW, IF YOU SAY SHOW ME THE EVIDENCE OF  
16 THAT, WE CAN CERTAINLY PRESENT MANIFEST ORDERS THAT CAN  
17 SHOW WHERE DID THESE TIRES GO. THERE IS PROOF. I CAN  
18 SHOW YOU PICTURES ALSO OF WHERE THESE TIRES ARE. I  
19 UNDERSTAND. I'M -- AGAIN, I'M TRYING TO -- I  
20 UNDERSTAND WHERE YOU ARE COMING FROM. I'M TRYING TO  
21 ADDRESS THIS AS BEST I CAN.  
22 HOW DO WE -- REMEMBER, UNDER YOUR  
23 SCENARIO 2, ANY TIRE FACILITY HAS TO MEET MINIMUM STATE  
24 REQUIREMENTS AND HAVE TO MEET LOCAL CITY PERMITTING.  
25 THIS IS IN ONE SENSE A LOCAL ISSUE. IF KIRK & SON OR



1 ANY OTHER OPERATOR VIOLATES THE CONDITIONS THAT IT WAS  
2 GIVEN A PERMIT ON, EVEN SEPARATE FROM THIS BOARD, THEY  
3 HAVE TO PAY THE CONSEQUENCES FOR THAT.  
4 THE QUESTION IS HERE WHAT IS THE ROLE OF  
5 INTEGRATED WASTE MANAGEMENT TO TRANSITION FROM  
6 EXCLUSIONS, LIKE YOU SAID, TO EITHER A MINOR OR A  
7 MAJOR? I'M AGREEING WITH SCENARIO 2. IT'S GOT TO  
8 HAPPEN.  
9 THE QUESTION IS, I THINK THIS IS WHAT THE  
10 QUESTION IS, AND PLEASE CORRECT ME IF I'M WRONG,  
11 BECAUSE I INTERPRETED THIS TO SAY THAT WE WOULD  
12 TRANSITION YOU INTO MINOR OR MAJOR. IT DOES NOT HAVE  
13 AN EFFECT ON YOUR LOCAL STANDING AND YOUR LOCAL  
14 ORDINANCES OR YOUR LOCAL PERMITS. WE'RE NOT ASKING YOU  
15 TO GO BACK TO THE LOCALITIES AND REPERMIT A FACILITY  
16 THAT WAS ALREADY PERMITTED BECAUSE IF A FACILITY IS NOT  
17 FOLLOWING ITS PERMIT, THEN IT'S GOING TO BE SHUT DOWN  
18 NO MATTER WHAT THIS BOARD DOES. IT'S GOING TO CEASE TO  
19 OPERATE.  
20 WHAT I'M TRYING TO EXPLAIN AND THE WAY I  
21 READ THE STAFF RECOMMENDATION IS THAT STAFF IS TRYING  
22 TO TRANSITION EXCLUDED OPERATORS OVER A PERIOD OF TIME  
23 INTO THESE NEW CATEGORIES. NOW, WHAT THAT MEANS UNDER  
24 YOUR REGULATORY ORDER I AM NOT CLEAR ON. BUT AS I  
25 UNDERSTAND IT, IT WOULD BE IS THAT BY THAT DATE A YEAR



1 FROM NOW, MOST OF THESE OPERATORS WOULD BE IN A MINOR  
2 OR MAJOR CATEGORY, BUT WE'RE GIVING YOU THE OPPORTUNITY  
3 TO GET TO THAT POINT, WHATEVER IT TAKES TO GET THAT  
4 POINT.  
5 NOW, EVERYTHING ELSE REMAINS THE SAME.  
6 THEY ARE SUBJECT TO AUDITS, THEY'RE SUBJECT TO LOCAL  
7 ORDINANCES, COUNTY ORDINANCES, THEY'RE SUBJECT TO  
8 EVERYTHING THAT THEY WOULD BE SUBJECTED TO AND THAT  
9 LEVEL OF SCRUTINY, BUT WHAT WE'RE TRYING TO AVOID HERE  
10 IS DOES IT MAKE -- IS THE OUTCOME OF A FACILITY THAT IS  
11 NO LONGER OPERATING THE DESIRED OUTCOME OF THIS BOARD,  
12 AND DOES THAT SOLVE A PROBLEM OR DOES IT CREATE MORE OF  
13 A PROBLEM?

14 CHAIRMAN PENNINGTON: OKAY. THAT IT? THANK  
15 YOU VERY MUCH. NEXT WE'LL HAVE DANIEL BLACKSTONE --  
16 STOCK.

17 MR. BLACKSTOCK: YES, MR. CHAIRMAN, THANK YOU,  
18 AND MEMBERS OF THE BOARD. I'M THE ATTORNEY HE WAS  
19 REFERRING TO. I'M THE EX-COUNTY COUNSEL, AND I  
20 REPRESENT KIRK & SON TIRES.  
21 SEVERAL THINGS I'D LIKE TO CLEAR UP VERY  
22 QUICKLY. HE HAS LITERALLY MOVED OUT OF THE CUSTER LANE  
23 SITE THOUSANDS OF TIRES, AND WE HAVE THE MANIFESTS  
24 THERE. THEY'VE GONE TO A NUMBER OF DIFFERENT USES.  
25 RETREADING, THERE WAS ONE ORDER FOR 4,000 TIRES, I



1 BELIEVE, FOR TRUCK TIRES. SO THERE HAVE LITERALLY BEEN  
2 A SUBSTANTIAL MOVEMENT IN AND OUT.  
3 WITH REGARDS TO THE ZONING, I DON'T WANT  
4 TO BOTHER YOU WITH THIS EXCEPT TO POINT OUT TO YOU THAT  
5 THERE ARE TWO ITEMS OF LITIGATION. THEY ARE  
6 CONSOLIDATED. THE FIRST TIME AROUND THE CASE CAME UP,  
7 THE JUDGE WAS WILLING TO GIVE THEM A TRIAL IN DECEMBER.  
8 THE ATTORNEY FOR THE PLAINTIFF SAID, NO, I CAN'T  
9 POSSIBLY GO TO TRIAL. THEN HE GOT A TRIAL DATE, JUDGE  
10 GAVE HIM JANUARY 12TH. COULDN'T MAKE IT THEN EITHER.  
11 GOT CONTINUED TO FEBRUARY 23D. THEN HE GOT -- THEN WE  
12 FINALLY ENDED UP IT'S NOW GOING TO BE TRIED ON MAY THE  
13 11TH, SUPPOSEDLY.  
14 THE REASON THIS MATTER WAS DUMPED ON YOU  
15 BY THE BOARD OF SUPERVISORS OF THE COUNTY OF BUTTE, AND  
16 IT WAS DONE INTENTIONALLY, I WOULD SUGGEST, IS THAT THE  
17 COUNTY ACTUALLY ENCOURAGED KIRK & SONS TO MOVE TO WHERE  
18 THEY ARE. THE REASON THEY DID THAT IS THIS PIECE OF  
19 PROPERTY IS RIGHT IN THE MIDDLE OF AN M1 ZONE. RIGHT  
20 IN THE MIDDLE OF IT. AND EVERYONE THOUGHT, WELL, GEE,  
21 THIS WILL BE FINE. IT HAD BEEN AN M1 ZONE FOR 18  
22 YEARS.

23 BOARD MEMBER CHESBRO: M1 IS INDUSTRIAL OR  
24 COMMERCIAL?

25 MR. BLACKSTOCK: INDUSTRIAL. IT IS THE SECOND



1 HEAVIEST USE ZONE. WE HAVE AN M2 ZONE IN BUTTE COUNTY  
2 AS WELL. THE USE THAT KIRK IS USING IT FOR IS A  
3 DIRECTLY PERMITTED USE UNDER THE ZONING. NOW, THAT MAY  
4 HAVE SOMETHING TO DO WITH THE FACT THAT THERE'S NOT  
5 BEEN A REAL RUSH TO TAKE ME INTO TRIAL.  
6 NOW, WITH REGARDS TO THE PROBLEMS, AND IF  
7 I CAN GO BACK A FEW YEARS, BACK IN THE '70S IN THE  
8 COUNTY, WE WERE REALLY HAVING A PROBLEM WITH TIRES. IN  
9 FACT, TIRES HAVE ALWAYS BEEN KIND OF A PROBLEM FOR US  
10 AND ANY TYPE OF WASTE SITUATION.

11 BOARD MEMBER JONES: WE WOULD AGREE.

12 MR. BLACKSTOCK: AND ALL I'D LIKE TO SAY IN  
13 THAT REGARD IS IN LOOKING AT YOUR THREE CATEGORIES, IF  
14 I CAN USE THAT TERMINOLOGY, YOUR MINOR, MAJOR, AND YOUR  
15 EXCLUDED -- EXCLUSION, IT APPEARS TO ME THAT THE  
16 EXCLUSION IS THE ONLY ONE OF YOUR CATEGORIES THAT  
17 DIRECTLY LEADS TO WHAT WE ALWAYS TRIED TO DO, AND I  
18 ALWAYS THOUGHT IT WAS THE STATE'S, SHALL WE SAY, GOAL,  
19 AND THAT IS GET RID OF THE TIRES. EITHER GET THEM  
20 RECYCLED, BURN THEM SOMEHOW OR ANOTHER, BUT GET RID OF  
21 THEM. DON'T STACK THEM HIGHER AND WHAT HAVE YOU.  
22 INCIDENTALLY, AT THE CUSTER LANE SITE,  
23 WE'RE OPERATING UNDER THE CITY OF OROVILLE. IT'S IN AN  
24 ENTERPRISE ZONE, AND THEY OPERATE UNDER THE UNIFORM  
25 FIRE CODE. THERE ARE NO PROBLEMS WITH MOSQUITOES FOR



1 THE SIMPLE REASON MOSQUITO ABATEMENT IS OUT THERE  
2 CONSTANTLY. THEY DO NOT USE KEROSENE -- NOT KEROSENE.  
3 THEY DO NOT USE DIESEL FUEL AS SOMEONE SUGGESTED. THE  
4 TYPE OF SYSTEM THAT IS BEING USED IS WHAT IS ACTUALLY  
5 MANDATED BY MOSQUITO ABATEMENT.  
6 THERE IS ONE REFERENCE IN YOUR STAFF  
7 COMMENTS THAT I CAN'T HELP BUT COMMENT ON. AND THAT IS  
8 THAT SOME COUNTIES FEEL THAT THEY NEED YOUR BOARD'S  
9 HELP BECAUSE THEY'VE GOT DOCUMENTED HEALTH PROBLEMS AND  
10 ENVIRONMENTAL PROBLEMS THAT THEY CAN'T HANDLE WITHOUT  
11 YOUR BOARD. SOMEONE IS TRYING TO GET TO YOUR STAFF.  
12 CAN ASSURE YOU, AS AN EX-COUNTY COUNSEL, THAT IS SIMPLY  
13 NOT TRUE.  
14 I WOULD LIKE TO SUGGEST, HOWEVER, IN  
15 CLOSING, THAT, YES, BUTTE COUNTY IS TRYING TO USE YOUR  
16 BOARD BECAUSE THEY FEEL THAT THEY'RE -- THEY HAVE A  
17 RATHER DIFFICULT SITUATION. BUT AS FAR AS THE -- AS WE  
18 SEE IT, AND I WOULD SUGGEST FROM THE STANDPOINT OF  
19 GETTING RID OF TIRES, I THINK YOU REALLY GOT TO GIVE  
20 SOME CLOSE THOUGHT TO GETTING RID OF THE EXCLUSION  
21 CONCEPT. NOW, MAYBE YOU WANT TO MODIFY IT, BUT THIS  
22 IDEA OF REQUIRING PEOPLE TO GET RID OF TIRES, I  
23 SUGGEST, IS A PRETTY GOOD IDEA.  
24 CHAIRMAN PENNINGTON: THANK YOU. NEXT CHUCK  
25 WHITE.





1 MR. WHITE: MR. CHAIRMAN, MEMBERS OF THE  
2 BOARD, THANK YOU VERY MUCH. WE'LL TRY TO BE BRIEF.  
3 CHUCK WHITE WITH WASTE MANAGEMENT. WITH ME TODAY IS  
4 LARRY BARNBLATT, WHO'S OUR PARTNER IN OUR OPERATION  
5 WE'RE TRYING TO GET STARTED TO PROVIDE RECYCLING OPTION  
6 FOR TIRES.  
7 I WOULD LIKE TO PASS AROUND A COUPLE OF  
8 EXHIBITS. ONE IS AN EXAMPLE OF A KIND OF GROUND COVER  
9 MATERIAL, ANOTHER GROUND COVER MATERIAL, ALL FROM  
10 CHIPPED TIRES. IT'S THE KIND OF PRODUCT THAT WE'RE  
11 TALKING ABOUT MAKING. AND I ALSO HAVE AN EXAMPLE OF  
12 SOME USES FOR QUARTER INCH TO 1-INCH SIZE TIRE PIECES.  
13 AND I'LL COME BACK TO THAT ISSUE IN A MOMENT.  
14 WASTE MANAGEMENT'S INTEREST -- WE  
15 RECOGNIZE YOU DO HAVE A PROBLEM WITH THE CURRENT  
16 EXCLUSIONS. WE DON'T CONTEST THAT. OUR BASIC MESSAGE  
17 IS LET'S NOT THROW THE BABY OUT WITH THE BATH WATER.  
18 BABY BEING THE FORTHCOMING INDUSTRIES WE HOPE TO SEE IN  
19 CALIFORNIA THAT ARE GOING TO PROVIDE REMANUFACTURED  
20 PRODUCTS OUT OF WASTE TIRES.  
21 AND WHAT WE'RE LOOKING FOR IS A VERY  
22 NARROW -- CONTINUATION OF A VERY NARROW EXEMPTION  
23 RELATED -- DIRECTLY RELATED TO THE MANUFACTURING OF NEW  
24 REUSED OR RECONSTITUTED WASTE TIRE PRODUCTS OF THE KIND  
25 THAT I'M PASSING AROUND TO YOU THAT CAN BE USED TO



1 MANUFACTURE PRODUCTS. WE THINK THAT THE REGULATIONS OF  
2 THE BOARD OUGHT TO BE STRUCTURED IN SUCH A WAY AS TO  
3 PROMOTE AND ENCOURAGE THESE KINDS OF RECYCLING  
4 INDUSTRIES TO GAIN A Foothold IN CALIFORNIA AND TO GROW  
5 AND EXPAND.  
6 WE THINK ONE WAY TO DO THAT IS TO PROVIDE  
7 A REASONABLE, LIMITED EXCLUSION FOR THE INCIDENTAL  
8 STORAGE NECESSARY TO CONDUCT THESE MANUFACTURING  
9 OPERATIONS. INDEED, WE LOOK AT THESE KINDS OF  
10 OPERATIONS BEING MORE AKIN TO A MANUFACTURING PROCESS  
11 THAN A WASTE TIRE PILE. AND WE BELIEVE THAT THE CODE,  
12 WHICH BASICALLY SAYS YOU NEED PERMITS FOR STORAGE,  
13 STOCKPILING, AND ACCUMULATION AND DISCARDED DOESN'T  
14 INCLUDE THE TERM "RECYCLING," PARTICULARLY WHEN WE'RE  
15 DIRECTLY INVOLVED IN MAKING A RECYCLED PRODUCT OUT OF  
16 WASTE TIRES.  
17 NOW, WE CAME UP WITH SOME SUGGESTED  
18 LANGUAGE FOR A CONTINUING EXCLUSION; AND, QUITE  
19 FRANKLY, I THINK THE BOARD STAFF HAS DONE A MUCH BETTER  
20 JOB IN ONE OF THEIR SCENARIOS, SPECIFICALLY SCENARIO  
21 NO. 1, TO PROVIDE FOR THE KIND OF EXCLUSION THAT WE  
22 THINK IS NECESSARY WITH ONE MINOR EXCEPTION. I'LL GET  
23 TO THAT IN A MINUTE.  
24 THERE REALLY ARE, I THINK, FOUR OPTIONS  
25 BEFORE YOU. YOU'VE GOT THESE THREE SCENARIOS IN YOUR



1 AGENDA PACKET. THERE REALLY IS A FOURTH, AND I'LL  
2 REFER TO THAT AS SCENARIO 0, THE EXISTING REGULATIONS.  
3 AND THE EXISTING REGULATIONS, AS I SAID BEFORE, HAVE  
4 PROBLEMS.  
5 THE KIND OF OPERATION THAT WE'RE TALKING  
6 ABOUT WOULD ONLY USE TWO KINDS OF EXCLUSIONS IN THE  
7 CURRENT REGULATIONS. ONE IS FOR A TOTALLY ENCLOSED  
8 STRUCTURE THAT MEETS THE FIRE PROTECTION STANDARDS  
9 SPECIFIED BY YOUR REGULATIONS. THE OTHER BEING A FULLY  
10 ENCLOSED, MOVABLE CONTAINER, ALSO SPECIFIED BY YOUR  
11 CURRENT REGULATIONS. THOSE ARE THE ONLY WAY THAT WE'RE  
12 INTERESTED IN STORING TIRES PRIOR TO THESE KINDS OF  
13 MANUFACTURING OPERATIONS.  
14 AND, IN FACT -- AND SO IF YOU WERE TO  
15 PRESERVE ANY OF THE EXISTING EXCLUSIONS, THOSE ARE THE  
16 ONLY TWO THAT OUR PARTICULAR INTERESTS ARE INTERESTED  
17 IN PRESERVING. AND, IN FACT, WE CAN SUPPORT A MODIFIED  
18 SCENARIO NO. 1, WHICH BASICALLY SAYS IF YOU ARE GOING  
19 TO STORE IT IN AN ENCLOSED CONTAINER, IT'S GOT TO BE  
20 DIRECTLY ASSOCIATED WITH A MANUFACTURING OPERATION.  
21 THE ONE PROBLEM WE DO HAVE IS IT  
22 SPECIFIES A QUARTER-INCH SIZE PIECE. WE CAN LIVE WITH  
23 THAT IF IT'S CHANGED TO A 1-INCH SIZE PIECE. AND THOSE  
24 BAGS THAT I PASSED AROUND TO YOU ARE EXAMPLES OF 1-INCH  
25 SIZE PIECES, AND THAT PIECE OF PAPER I JUST PASSED



1 AROUND IS AN EXAMPLE OF THE KIND OF USES, LEGITIMATE  
2 RECYCLED USES THAT WE CAN PUT SIZE PIECES BETWEEN A  
3 QUARTER AND 1 INCH TO BENEFICIAL USE. SO WE CAN LIVE  
4 WITH OPTION 1, SCENARIO 1, PROVIDED THAT IT GOES UP TO  
5 1-INCH SIZE IN THE REGULATIONS.  
6 WHAT ABOUT OPTION NO. 2, WHICH IS  
7 BASICALLY THERE'S NO MANUFACTURING EXCLUSION? THERE'S  
8 NO CONTINUATION OF EXCLUSION FOR INDOOR STORAGE OR  
9 MOVABLE CONTAINERS. WE DON'T LIKE THAT EXCLUSION. THE  
10 PROBLEM BEING IS IT FORCES US -- LEGITIMATE  
11 MANUFACTURERS TO GO INTO THIS PROCESS OF POTENTIAL  
12 ENFORCEMENT LEADING TO A PERMIT, ADMITTEDLY WAY DOWN  
13 THE ROAD; BUT THE WAY THE LANGUAGE IS WORDED, THE ONLY  
14 PEOPLE ELIGIBLE TO CONTINUE TO OPERATE UNDER THIS  
15 PROTRACTED PROCESS ARE THOSE THAT HAVE EXCLUSIONS IN TO  
16 YOU AS OF THE DATE THE REGULATIONS TAKE EFFECT.  
17 WHAT IF SOMEONE TWO DAYS LATER WANTS TO  
18 START A NEW CRUMB RUBBER RECYCLING OPERATION LIKE WE'RE  
19 PROPOSING HERE? THE ONLY OPTION THEY HAVE WOULD BE TO  
20 GO TO GET A FULL PERMIT. IT WOULD BE BETTER IF CAN  
21 ONLY MAKE THIS KIND OF PROTRACTED PROCESS AVAILABLE FOR  
22 EXISTING FACILITIES, BUT NEW FACILITIES THAT WANT TO  
23 COME ON LINE TO PRODUCE THESE KINDS OF OPERATIONS FOR  
24 THESE KINDS OF MATERIALS.  
25 REALLY THE ONE OPTION THAT WE JUST DON'T



1 THINK WORKS AT ALL, UNFORTUNATELY THAT'S THE ONE THAT  
2 STAFF IS RECOMMENDING, IS SCENARIO NO. 3 BECAUSE REALLY  
3 IT IS, QUITE FRANKLY, THE WORST OF ALL WORLDS. IT  
4 MEANS YOU HAVE TO GO AFTER A 60-DAY PERIOD TO GET A  
5 PERMIT EVEN THOUGH IN THE ULTIMATE REGULATIONS, FINAL  
6 REGULATIONS, YOU MAY BE ABLE TO BE EXEMPTED OR MAYBE  
7 GET SOME LOWER TIERED PERMIT, IT MAKES -- FORCES YOU TO  
8 GO THROUGH TWO PERMITTING PROCESSES AND IT MAKES YOU  
9 INITIALLY GO GET A PERMIT THAT IS MAYBE MORE EXTENSIVE  
10 AND MORE RESTRICTIVE THAN THE ULTIMATE ONE YOU ARE  
11 GOING TO BE GETTING UNDER THE FINAL REGULATIONS, WHICH  
12 MAY BE A YEAR, YEAR AND A HALF, TWO YEARS AWAY,  
13 HOPEFULLY SOONER RATHER THAN LATER.  
14 SO IN SUMMARY, WE WOULD LIKE YOU TO FIND  
15 A WAY TO ALLOW THIS BURGEONING -- THIS NEW COMING  
16 INDUSTRY TO GET A FOOTHOLD TO FIND LEGITIMATE USES TO  
17 MAKE RECYCLED PRODUCTS OUT OF TIRES. WE CAN LIVE WITH  
18 SCENARIO NO. 1 PROVIDED THE SIZE OF THE PIECE GOES UP  
19 TO ABOUT AN INCH. WE CAN LIVE WITH OPTION 0, THE  
20 EXISTING REGULATIONS, BUT THE ONLY ONES WE'RE  
21 INTERESTED IN USING ARE THE ENCLOSED CONTAINER STORAGE  
22 PRIOR TO A MANUFACTURING OPERATION.  
23 I HAVE MR. BARNBLATT HERE, OUR PARTNER IN  
24 THIS PROCESS. HE'S AVAILABLE TO ANSWER ANY QUESTIONS.  
25 HE HAS ABOUT A TWO-HOUR PRESENTATION READY; BUT BECAUSE



1 OF THE SUCCESS OF THE PREVIOUS TWO-HOUR PRESENTATIONS

2 TODAY, WE DECIDED MAYBE WE'LL WAIVE THAT ONE.

3 CHAIRMAN PENNINGTON: THANK YOU. SMART MOVE.

4 BOARD MEMBER JONES: MR. CHAIRMAN, CHUCK, AT

5 THE RISK OF GETTING STUFF THROWN AT ME BY MY FELLOW

6 BOARD MEMBERS, I DO NEED TO ASK ONE QUESTION.

7 A 1-INCH PIECE THAT YOU ARE TALKING

8 ABOUT, WHAT WOULD THE DIFFERENCE BE OF AN OPERATION

9 THAT GRINDS TIRES INTO A ONE-AND-A-HALF-INCH PIECE AND

10 THEN LEAVES THOSE? YOU KNOW WHAT I MEAN? THE

11 EXCLUSION, BY HAVING ANY TYPE OF AN EXCLUSION, ANYBODY

12 CAN COME IN. WE HEARD TESTIMONY THAT, YOU KNOW, THIS

13 THING SHOULD STAY. I AGREE. I MEAN I UNDERSTAND WHAT

14 YOU GUYS ARE DOING. YOU'RE STARTING A NEW FACILITY.

15 WE TESTIFIED AT IT. I MEAN WE PROVIDED INFORMATION

16 SOURCE AT YOUR FACILITY.

17 BUT MY QUESTION IS, MAYBE WE CAN GET

18 AROUND THIS, IT'S AT THE DAVIS STREET FACILITY, RIGHT,

19 WHICH IS A SOLID WASTE FACILITY. RIGHT.

20 MR. WHITE: RIGHT. FOR DISPOSAL FACILITIES,

21 NOT FOR TRANSFER STATION.

22 BOARD MEMBER JONES: MA DID. I'M TRYING HERE.

23 BECAUSE THE EXCLUSION, IRREGARDLESS IF IT'S 1-INCH,

24 THREE-QUARTERS OF AN INCH, QUARTER INCH, THERE'S ALWAYS

25 SOMEBODY STANDING RIGHT BEHIND YOU THAT SAYS, LOOK,



1 MINE'S ONLY HALF AN INCH LONGER. AND WE'RE EXACTLY  
2 BACK WHERE WE ARE TODAY, WHICH IS --  
3 MR. WHITE: ALL I CAN TESTIFY IS TO WHAT OUR  
4 NEEDS ARE TO TRY TO BE -- WE WANT TO DELIVER A QUALITY  
5 PRODUCT FOR THE CHEAPEST PRICE POSSIBLE AS QUICKLY AND  
6 EFFICIENTLY. IF THIS PROCESS WORKS, WE MIGHT WANT TO  
7 BE IN A PROCESS OF GETTING THESE THINGS SET UP  
8 WIDESPREAD AROUND THE STATE. BUT IF WE'RE BARRED  
9 BECAUSE WE DIDN'T HAVE OUR EXCLUSION IN BY THE DATE  
10 THESE REGULATIONS TAKE EFFECT AND CAN'T DO IT UNTIL WE  
11 GET EITHER A FULL PERMIT, WASTE TIRE PERMIT, OR WE  
12 CAN'T DO IT UNTIL THESE NEW REGULATIONS ARE IN PLACE,  
13 YOU ARE BASICALLY SENDING THE MESSAGE IN THE INTERIM  
14 YOU DON'T WANT THESE NEW OPERATIONS TO GET STARTED.  
15 I DON'T THINK THAT'S WHAT YOU WANT. I  
16 THINK YOU WANT THESE KIND OF OPERATIONS TO GET STARTED,  
17 GET A FOOTHOLD, TO BE COMPETITIVE, AND TO BE ABLE TO  
18 PROVIDE A QUALITY PRODUCT AT THE CHEAPEST PRICE  
19 POSSIBLE, AND HELP THE INDUSTRY GROW. I THINK THAT'S  
20 WHAT YOU REALLY WANT TO DO.  
21 BOARD MEMBER JONES: THAT'S WHY THEY HAD THE  
22 FIRST EXCLUSIONS, RIGHT.  
23 MR. WHITE: I THINK THOSE EXCLUSIONS, QUITE  
24 FRANKLY, ARE TOO BROAD. WE'RE NOT SUGGESTING  
25 CONTINUING THE SAME KIND OF BROAD EXCLUSIONS EITHER NOW



1 OR IN THE FUTURE, BUT DON'T THROW THE BABY OUT WITH THE  
2 BATH WATER.

3 CHAIRMAN PENNINGTON: OKAY. DID YOU WANT TO  
4 MAKE A STATEMENT? OKAY. THANK YOU. MICHAEL  
5 HARRINGTON.

6 MR. HARRINGTON: AND I ALSO WILL BE BRIEF.  
7 I'M MIKE HARRINGTON. I'M WITH BAS RECYCLING FROM  
8 SOUTHERN CALIFORNIA. WE'RE A PRODUCER OF CRUMB RUBBER  
9 FROM WHOLE TIRE RECYCLING. IN 1997 WE PRODUCED  
10 APPROXIMATELY 25 MILLION POUNDS OF CRUMB RUBBER FROM  
11 TIRES RECYCLED AT OUR FACILITY AND MARKETED ALL OF THE  
12 CRUMB RUBBER WE PRODUCED.

13 FIRST OF ALL, I'D LIKE TO THANK THE BOARD  
14 FOR THEIR CONTINUED SUPPORT FOR TIRE RECYCLING AS ONE  
15 OF THE SOLUTIONS FOR THE ECOLOGICAL DISPOSAL OF WASTE  
16 TIRES.

17 AND TO MOVE RIGHT ALONG, IF THE BOARD IN  
18 THEIR CONSIDERATION OF DRAFT EMERGENCY REGULATIONS TO  
19 REVISE PERMIT EXCLUSIONS WERE TO ADOPT SCENARIO 1,  
20 INCLUDING THE NEW MANUFACTURERS EXCLUSION, WE WOULD  
21 REQUEST THAT THERE BE ONE LANGUAGE CHANGE. AND THAT BE  
22 IN THE AREA -- CHANGE THE LANGUAGE FROM STORED IN AN  
23 ENCLOSED -- THE WASTE TIRES BEING STORED IN AN ENCLOSED  
24 STRUCTURE TO STORED IN ACCORDANCE WITH STATE AND LOCAL  
25 ORDINANCES. THAT COULD BE EXPANDED TO IN A SECURE





1 AREA, WHATEVER, BUT IN OUR CASE PARTICULARLY WE DO NOT  
2 STORE TIRES IN TRAILERS OR ON A BUILDING, BUT THEY ARE  
3 STORED IN COMPLIANCE WITH YOUR OWN REGULATIONS AND WITH  
4 COUNTY AND CITY REGULATIONS. WE'RE IN THE CITY OF SAN  
5 BERNARDINO.  
6 IF SCENARIO NO. 1 IS NOT ADOPTED, IT IS  
7 OUR SINCERE HOPE THAT THE BOARD WILL DIRECT STAFF TO  
8 INCLUDE AN EXEMPTION FOR TIRE RECYCLING TO CRUMB RUBBER  
9 IN FUTURE RULEMAKING AS THE MAJOR WASTE TIRE FACILITY  
10 PERMIT THAT IS ENVISIONED FOR OUR TYPE OF OPERATION, WE  
11 FEEL, IS EXCESSIVE. THANK YOU VERY MUCH.

12 CHAIRMAN PENNINGTON: THANK YOU. QUESTIONS?  
13 THANK YOU. MR. GEORGE LARSON.

14 MR. LARSON: THANK YOU, MR. CHAIRMAN, MEMBERS.  
15 I WILL BE BRIEF AS I CAN. I'M HERE REPRESENTING LAKIN  
16 TIRE. LAKIN TIRE, AS I'VE TESTIFIED BEFORE, IS A  
17 TIRE - - WASTE TIRE HAULER AND PROCESSOR IN SOUTHERN  
18 CALIFORNIA, HANDLING ABOUT 10 MILLION TIRES A YEAR.  
19 TWENTY-FIVE YEARS, WE'VE NEVER REPLACED TIRES ON PILES.  
20 I KNOW YOU'RE GETTING TIRED OF HEARING THAT, BUT I'M  
21 PROUD TO SAY IT EVERY TIME.  
22 WE DID UTILIZE THE INDOOR STORAGE  
23 PROVISION FOR EXCLUSIONS TO ALLOW LAKIN TO QUALIFY FOR  
24 SUCH EXCLUSION. AND WHILE OUR INITIAL REACTION WAS  
25 OPPOSITION, IN RETROSPECT, WE'VE CHANGED THAT POSITION



1 NOW TO SUPPORT THE BOARD'S EFFORTS TO TIGHTEN UP THE  
2 PROVISIONS THAT ALLOW FOR EXCLUSIONS FROM WASTE TIRE  
3 PILE PERMITS. QUITE FRANKLY, WE'RE TIRED -- PARDON THE  
4 PUN -- OF SEEING THE GAPING EXCLUSIONS BEING USED BY  
5 OPERATORS WHO BASICALLY ARE OUR COMPETITORS, WHO TAKE  
6 TIRES IN, DO NOT PROCESS THEM PROPERLY, PUT THEM ON  
7 PILES, AND UNFORTUNATELY TOO OFTEN, FOR A VARIETY OF  
8 REASONS, LEAVE THOSE LEGACY PILES FOR OTHERS TO CLEAN  
9 UP.  
10 WE PROCESS OUR TIRES AND ARE ABLE TO MOVE  
11 THEM EITHER TO REUSE, RETREAD, USE AS AUGMENT FUEL IN  
12 CEMENT KILNS, OR SHREDDING AND BURYING IN PERMITTED  
13 LANDFILLS, AND NOW IN A MONOFILL IN CALIFORNIA. WHILE  
14 IT'S GOING TO COST US SOME MONEY, WE HAVE ALREADY  
15 INITIATED THE PROCESS TO SECURE A MAJOR WASTE TIRE PILE  
16 PERMIT AND POST THE APPROPRIATE CLOSURE FINANCIAL  
17 ASSURANCES. AND CERTAINLY FOR THOSE OF YOU WHO HAVE  
18 VISITED OUR FACILITY, YOU WOULD AGREE, I'M SURE, THAT  
19 WE'RE THE FACILITY THAT LEAST RESEMBLES A PILE IN  
20 CALIFORNIA.  
21 WE'RE DOING THIS BECAUSE WE FEEL IN THE  
22 OUTCOME OF THE REGULATORY PROCESS THAT WILL FOLLOW THE  
23 REPEAL OF THE EXCLUSIONS, WE'LL GET FAIR TREATMENT JUST  
24 AS THE RECYCLING AND REMANUFACTURER OPERATIONS IN  
25 CALIFORNIA THAT WE WANT TO PROMOTE WILL ALSO RECEIVE



1 ADEQUATE ACCOMMODATION IN THAT REGULATORY PROCESS TO  
2 PROMOTE THOSE ACTIVITIES. AS A BOTTOM LINE, REGARDLESS  
3 OF WHAT COURSE THE REGULATORY PROCESS TAKES, LAKIN TIRE  
4 IS GOING TO STRONGLY SUPPORT THE INCLUSION OF FINANCIAL  
5 ASSURANCE FOR ALL TYPES OF OPERATIONS REGARDLESS OF THE  
6 TYPE OF PROCESSING OR THE TYPE OF MANAGEMENT OF THE  
7 MATERIALS OR THE TIRES.  
8 AGAIN, I'LL CUT THIS SHORT, JUST TO  
9 ENDORSE STAFF'S RECOMMENDATION OF SCENARIO 3 TO REPEAL  
10 ALL EXCLUSIONS. WE'D BE DELIGHTED TO WORK WITH YOU AND  
11 WITH OTHER PROGRESSIVE OPERATIONS SUCH AS THOSE BEING  
12 ADVANCED BY WASTE MANAGEMENT TO ASSIST IN ANY WAY WE  
13 CAN TO GET FAIR TREATMENT AND SUPPORT FOR RECYCLING AND  
14 MANUFACTURING OF HIGHER END USE RUBBER PRODUCTS. THANK  
15 YOU.

16 CHAIRMAN PENNINGTON: THANK YOU. NEXT IS  
17 DAVID WELLS.

18 BOARD MEMBER CHESBRO: MR. CHAIRMAN, WHILE  
19 HE'S COMING UP, I'D LIKE TO DISCLOSE AN EX PARTE  
20 COMMUNICATION WITH RICK BEST WITH CALIFORNIANS AGAINST  
21 WASTE WITH REGARDS TO ITEM 22.

22 CHAIRMAN PENNINGTON: OKAY. THANK YOU.

23 MR. WELLS: I'M GOING TO TAKE A LITTLE  
24 DIFFERENT SLANT HERE THAN WHAT YOU'VE HEARD. BASICALLY  
25 IT'S NOT TOO WELL KNOWN --



1 MS. TOBIAS: EXCUSE ME, SIR. JUST PUT YOUR  
2 NAME ON THE RECORD.

3 MR. WELLS: DAVID WELLS. NO, YOU DON'T HAVE  
4 TO BE SORRY. I DIDN'T SAY IT. IT'S MY APOLOGY. BUT  
5 BASICALLY ONE THING I THINK THAT YOU ARE CAPABLE OF  
6 DOING IS DRAWING UP REGULATIONS, SO I WON'T TELL YOU  
7 HOW TO DRAW UP REGULATIONS. BUT WHEN YOU DO, PLEASE  
8 BEAR IN MIND THE FOLLOWING FACTS: 85 PERCENT OF ALL  
9 THE JOBS IN THE UNITED STATES ARE WITH COMPANIES WITH  
10 15 OR FEWER EMPLOYEES. ROUGHLY, IN FRESNO COUNTY  
11 ONE-THIRD OF THE POPULATION OF 750,000 PEOPLE IS ON  
12 PUBLIC ASSISTANCE. ORANGE COUNTY IS APPROXIMATELY 43  
13 PERCENT. IT'S EVEN HIGHER THAN AN AGRICULTURAL  
14 COUNTY. LOS ANGELES COUNTY, THE SAME THING. THEN YOU  
15 ADD TO THAT 16 PERCENT OF THE POPULATION IS 65 OR  
16 OVER. THEN YOU ADD TO THAT THAT THE CALIFORNIA  
17 ASSOCIATION OF NONPROFIT ORGANIZATIONS PUTS OUT A  
18 HANDBOOK AND IN THERE STATES THAT THERE ARE MORE PEOPLE  
19 WORKING FOR NONPROFIT ORGANIZATIONS IN THE STATE OF  
20 CALIFORNIA THAN THE TOTAL FEDERAL AND GOVERNMENT  
21 EMPLOYEES COMBINED. THEN YOU ADD TO THAT, IN THE SAN  
22 JOAQUIN VALLEY AT LEAST, 12 TO 18 PERCENT UNEMPLOYED.  
23 I HAVEN'T ANY HARD FIGURES, BUT I HAVE A  
24 ROUGH GUESS FIGURE OF ABOUT 11 PERCENT OF THE  
25 POPULATION IS WORKING IN PRIVATE ENTERPRISE. AND



1 THEY'RE SMALL BUSINESS PEOPLE. AND WHAT IS NEEDED FOR  
2 SMALL BUSINESS PEOPLE IS SOME MERCY BECAUSE THEY'RE THE  
3 GOOSE THAT'S LAYING THE GOLDEN EGG. YA'LL PAY TAXES.  
4 EVERY PERSON IN HERE PRESUMABLY PAYS TAXES; BUT IF YOU  
5 ARE A GOVERNMENT EMPLOYEE, WHERE DOES THE OTHER 60  
6 PERCENT OF YOUR SALARY COME FROM? IT COMES FROM A  
7 THREAD, AND THE THREAD IS ENTREPRENEURS BECAUSE OF 85  
8 PERCENT OF ALL THE JOBS THAT HAVE 15 OR FEWER  
9 EMPLOYEES, THERE'S ONLY ABOUT ONE AND A HALF PERCENT  
10 THAT ARE THE EMPLOYERS. AND THAT IS THE GOLDEN EGG  
11 PRODUCER.  
12 50 IF YOU RUN A MILE A PAPER TO BE  
13 PROCESSED BY US LITTLE GUYS AND LAWYERS AND PUBLIC  
14 RELATIONS PEOPLE AND LOBBYISTS AND EVERYTHING ELSE, FOR  
15 US TO TRY TO STAY IN BUSINESS, YOU SWAMP US. WE  
16 HAVEN'T GOT A CHANCE. NOT ONE CHANCE. SO WHAT IS  
17 NEEDED IS A MECHANISM TO HAVE EXPERIMENTAL PROJECTS,  
18 SMALL-SCALE STUFF, STUFF THAT THOMAS EDISON AND HIS  
19 THREE OR FOUR LAB ASSISTANTS WOULD DO, OR THE GUY THAT  
20 INVENTED THE TELEVISION WITH HIS THREE OR FOUR LAB  
21 ASSISTANTS, AND A MECHANISM TO NURTURE THIS GOLDEN EGG  
22 PRODUCER OVER HERE. BABY IT. BOTTLE FEED IT. HELP IT  
23 ALONG AND GIVE IT EVERY BREAK YOU CAN GIVE IT TO GET  
24 STARTED TO ACCOMPLISH THE TASK AND MAKE IT SO THAT THE  
25 COUNTIES UNDERSTAND THAT YOU ARE SENDING THAT MESSAGE



1 ALSO SO THAT THEY CAN GET STARTED AND GET GOING AND  
2 SOLVE THE PROBLEM BECAUSE INNOVATION DOESN'T COME  
3 USUALLY FROM BIG COMPANIES. IT COMES FROM THESE  
4 MAVERICK INNOVATORS LIKE THE GUYS THAT STARTED INTEL  
5 CORPORATION, TWO GUYS, OR TWO GUYS CALLED HEWLETT AND  
6 PACKARD OR TWO GUYS CALLED WOZNIAK AND JOBS WHO STARTED  
7 APPLE COMPUTER IN THEIR BEDROOM.  
8 THAT'S WHAT'S NEEDED. AND SO PLEASE,  
9 WHEN YOU DRAW UP WHATEVER YOU DRAW UP AND DECIDE ON,  
10 KEEP THAT IN MIND BECAUSE WE NEED EVERY BREAK WE CAN  
11 GET. AND PART OF IT IS DON'T FORGET EXPERIMENTAL  
12 RESEARCH AND DEVELOPMENT KIND OF LITTLE TINKERY  
13 PROJECTS THAT DON'T HAVE TO FILL OUT TEN TONS OF PAPER  
14 AND USE 40 ACRES OF TREES IN THE PROCESS. THANK YOU.

15 CHAIRMAN PENNINGTON: THANK YOU, MR. WELLS.  
16 THAT'S IT. THAT CONCLUDES THE PUBLIC TESTIMONY.  
17 QUESTIONS? MOTIONS?

18 BOARD MEMBER JONES: I HAVE A QUESTION OF  
19 DOROTHY. ONE OF THE THINGS THAT WE HAD TALKED ABOUT  
20 WAS, YOU KNOW, HOW DO WE MAKE THE PROCEDURE WORK. AND  
21 I THINK YOU'VE DONE A GOOD JOB OF TRYING TO COME UP  
22 WITH SOME OF THOSE THINGS. BUT I DO -- I KNOW YOU'VE  
23 GOT SOME REQUESTS FOR EXCLUSIONS ON YOUR DESK RIGHT  
24 NOW, I THINK, DON'T YOU, SOME THAT ARE PENDING?

25 MS. RICE: YES.



1 BOARD MEMBER JONES: I'M HAVING A HARD TIME.  
2 I UNDERSTAND WHAT MR. WHITE HAS SAID BY SAYING, YOU  
3 KNOW, LOOK, WE'RE AT THIS FACILITY, WE'RE GOING THROUGH  
4 HERE, WE DON'T HAVE OUR REQUEST IN FOR EXCLUSION, SO  
5 NOW WE HAVE TO GO THROUGH THE PERMIT PROCESS. AND THAT  
6 IS DIFFERENT THAN ANYBODY ELSE. BUT I THINK IF YOU  
7 GIVE AN EXCLUSION FOR ANYTHING, IT IS GOING TO BE  
8 ANOTHER LOOPHOLE. I MEAN I WOULD SAY THAT CHIPPING  
9 TIRES FOR CIVIL ENGINEERING PROJECTS WOULD QUALIFY.  
10 I'M RECYCLING? YOU KNOW, I'M -- I HAVEN'T RECYCLED IT  
11 YET, BUT I'M PUTTING THAT TIRE IN A FORM THAT CAN BE  
12 USED. AND THAT'S AN ARGUMENT THAT A LOT OF PEOPLE ARE  
13 GOING TO USE, WHICH MEANS WE CAN DO ANYTHING WE WANT  
14 HERE, AND WE'VE CONTINUED THE EXCLUSION BASICALLY.

15 MS. RICE: IT WAS FOR THAT REASON THAT THE  
16 STAFF RECOMMENDATION IS FAIRLY SIMPLE AND STRAIGHT-  
17 FORWARD, AND WE JUST STUCK WITH ELIMINATING THE THREE  
18 EXCLUSIONS THAT WE'RE HAVING THE MOST DIFFICULTY WITH  
19 ENFORCEMENT OF AND PROVIDING A 60-DAY PERIOD FOR  
20 APPLICATION FOR PERMIT.  
21 WE CERTAINLY ARE SYMPATHETIC WITH AND  
22 UNDERSTAND THE CONCERNS RAISED BY MANY THAT, WELL, WHAT  
23 IF THAT DOESN'T QUITE MEET THEIR NEEDS, AND THEY'D  
24 RATHER NOT GET A PERMIT BECAUSE THEY'RE HOPING THAT IN  
25 THE FULL REGULATORY PROCESS, THERE MAY BE AN EXCLUSION



1 CRAFTED FOR THEM AND THERE MAY BE.

2 BOARD MEMBER JONES: IF SOMEBODY OPERATING

3 UNDER AN EXCLUSION CAME WITHIN 30 DAYS, 60 DAYS, PICKED

4 UP THE PACKAGE, STARTED THE PROCESS, WOULD THE

5 EXCLUSION STILL BE IN PLACE EVEN IF IT WENT PAST THE 60

6 DAYS BECAUSE THEY WERE -- COULD WE COME UP WITH A

7 SCHEDULE? NOT -- YOU KNOW, YOU PICK IT UP, YOU'VE GOT

8 THIS MANY DAYS TO SUBMIT OR TO ASK QUESTIONS, YOU HAVE

9 THIS MANY DAYS TO DO THIS AND THIS MANY SO YOU DON'T

10 HAVE TO PUT DATES TO IT. YOU JUST HAVE TO PUT SOME

11 DATE RECEIVED TYPE, YOU KNOW, 10 DAYS, 20 DAYS, 50

12 DAYS, WHATEVER, WHERE THOSE PEOPLE WITH EXCLUSIONS

13 COULD CONTINUE TO OPERATE UNDER THEIR EXCLUSION. AND

14 IT WOULD GIVE THEM THE TIME AND TELL US THAT, IN FACT,

15 INSTEAD OF GIVING YOU A' YEAR, YOU'VE STARTED THE

16 PROCESS IN 60 DAYS, IF THAT PROCESS TAKES, BECAUSE OF

17 YOUR FAULT OR OUR FAULT, TAKES ANOTHER 120 DAYS, YOU

18 ARE COVERED BECAUSE YOU STARTED THE PROCESS. YOU'VE

19 MET A SERIES OF BENCHMARKS TO CONTINUE THE PROCESS.

20 AND IF YOU DON'T -- THEY DON'T MEET THAT BENCHMARK, THE

21 EXCLUSION DISAPPEARS. AND IF WE'VE CREATED THE PROBLEM

22 BY STAFFING OR WHATEVER, THEN WE'RE SAYING YOU HAVE

23 MORE TIME BECAUSE -- I DON'T KNOW IF THAT WILL WORK.

24 MS. RICE: THE DIFFICULTY WE'VE HAD AND THE

25 REASON WE PROPOSED A 60-DAY PERIOD, IT COULD BE 90





1 DAYS, IT COULD BE 120 DAYS. WE PICKED 60 AND SOME HAVE  
2 MENTIONED PERHAPS THAT'S TOO SHORT. SOME HAVE SAID  
3 PERHAPS IT'S TOO LONG, SO YOU COULD DEBATE THE NUMBER  
4 OF DAYS. BUT FROM OUR PERSPECTIVE, HAVING A SET NUMBER  
5 OF DAYS IS FAR BETTER THAN AN OPEN-ENDED AS LONG AS YOU  
6 ARE TRYING BECAUSE THEN WE GET INTO THOSE DISCUSSIONS  
7 OF ARE YOU MAKING A GOOD FAITH EFFORT? HOW MUCH DID  
8 YOU GET IN? AND SO WE JUST WE PREFERRED TO GO WITH  
9 SOMETHING THAT SAID IF WITHIN SO MANY DAYS YOU HAVE  
10 YOUR COMPLETE AND CORRECT APPLICATION IN, YOU CAN  
11 CONTINUE TO OPERATE UNTIL YOU GET YOUR PERMIT.  
12 SO IN A SENSE THEY ARE ALLOWED TO OPERATE  
13 UNDER THEIR EXCLUSION IF THEY GET THEIR PAPERWORK IN.  
14 50 I WOULD MUCH RATHER DEBATE WHETHER 60 DAYS IS TOO  
15 SHORT RATHER THAN SHOULD WE HAVE A SLIDING SCALE  
16 BECAUSE FOR US THAT PUTS STAFF IN THE DIFFICULT  
17 POSITION OF HAVING TO SAY TO EACH PERSON, DID YOU OR  
18 DIDN'T YOU DO AS MUCH AS YOU COULD?"

19 MS. TOBIAS: I MIGHT JUST ADD TO WHAT DOROTHY  
20 SAID. ANOTHER WAY OF DEALING WITH THE TIME IS TO  
21 DIVIDE IT INTO MAJOR AND MINOR AND TO SAY THAT PERHAPS  
22 IT'S 30 OR 60 DAYS FOR MINOR OR MAYBE IT'S 90 OR 120 OR  
23 WHATEVER IS A REASONABLE AMOUNT OF TIME FOR A MAJOR  
24 GIVEN THAT THAT MIGHT BE TOUGHER TO DO. SO THAT'S  
25 ANOTHER WAY OF CUTTING IT, BUT WE WOULD AGREE WITH WHAT



1 DOROTHY JUST SAID.

2 CHAIRMAN PENNINGTON: MR. FRAZEE.

3 BOARD MEMBER FRAZEE: YES, MR. CHAIRMAN. I  
4 WAS THE ONE AT THE PERMITTING AND ENFORCEMENT COMMITTEE  
5 WHO PUSHED FOR THE MANUFACTURER'S EXCLUSION. I'VE HAD  
6 TIME TO REFLECT ON THAT AND ALSO TO HEAR MR. WHITE, WHO  
7 TALKED ME INTO THAT POSITION, PROCEED TO TALK ME OUT OF  
8 THAT POSITION HERE TODAY.

9 MR. WHITE: THANK YOU, CHAIRMAN.

10 CHAIRMAN PENNINGTON: YOU THOUGHT CUTTING IT  
11 SHORT WOULD HELP YOU.

12 BOARD MEMBER FRAZEE: HIS EXAMPLES AND HIS  
13 SAMPLES OF, WELL, IF YOU JUST GO A LITTLE BIGGER HERE  
14 AND, YOU KNOW, THAT GETS US TO THE SITUATION THAT IS  
15 ALL TOO FAMILIAR AND NOT TOO FAR BACK WITH THE TIRE  
16 BALER WHO CLAIMED THEY WERE MANUFACTURING AN ITEM WHEN  
17 THEY WERE PUTTING IT IN BALES. AND SO I THINK DOROTHY  
18 POINTED THIS OUT WELL, THAT INCREMENTS TO THIS AND YOU  
19 JUST KEEP GOING AN INCREMENT AND AN INCREMENT AT A  
20 TIME, OR THE OTHER GENTLEMAN WHO SUGGESTED THAT, WELL,  
21 IF YOU JUST KIND OF ELIMINATE THE INDOOR ONE AND LET US  
22 GO OUTDOORS. SO I'VE COME TO THE CONCLUSION THAT EVEN  
23 THOUGH I HAVE SOME FEELING FOR MORE TIME ON THIS, I  
24 WOULD LIKE TO MOVE, MR. CHAIRMAN, THAT WE ADOPT  
25 SCENARIO 3 BUT EXTEND IT TO 90 DAYS.



1 MS. TOBIAS: FOR MAJOR AND MINOR.  
2 BOARD MEMBER FRAZEE: THAT'S MY SUGGESTION  
3 UNLESS THERE'S SOME OTHER --  
4 BOARD MEMBER GOTCH: I'LL SECOND.  
5 CHAIRMAN PENNINGTON: OKAY. IT'S BEEN MOVED  
6 AND SECONDED. DO WE HAVE ANY FURTHER DISCUSSION ON  
7 THIS? THAT WE ADOPT, BASICALLY, RESOLUTION 98-13, THE  
8 TIME BEING 90 DAYS. IF THERE'S NO FURTHER DISCUSSION,  
9 WILL THE SECRETARY CALL THE ROLL.  
10 THE SECRETARY: BOARD MEMBER CHESBRO. ABSENT.  
11 FRAZEE.  
12 BOARD MEMBER FRAZEE: AYE.  
13 THE SECRETARY: GOTCH.  
14 BOARD MEMBER GOTCH: AYE.  
15 THE SECRETARY: JONES.  
16 BOARD MEMBER JONES: AYE.  
17 THE SECRETARY: RELIS.  
18 BOARD MEMBER RELIS: AYE.  
19 THE SECRETARY: CHAIRMAN PENNINGTON.  
20 CHAIRMAN PENNINGTON: AYE. MOTION CARRIES.  
21 WE'LL MOVE TO ITEM 20. WHILE WE'RE  
22 GETTING SET UP TO DO NO. 20, I'D LIKE TO READ A LETTER  
23 THAT I JUST RECEIVED, AND I'M GOING TO READ IT NOW  
24 BECAUSE I DON'T KNOW HOW MUCH LONGER WE'RE GOING TO GO.  
25 THIS LETTER IS TO PAUL RELIS. IT SAYS,



1 "I WOULD LIKE TO EXTEND MY HEARTFELT THANKS" -- LETTER  
2 IS TO PAUL RELIS. IT SAYS, "I WOULD LIKE TO EXTEND MY  
3 HEARTFELT THANKS FOR YOUR DEDICATED SERVICE TO MY  
4 ADMINISTRATION OVER THE LAST SIX YEARS. AS AN  
5 APPOINTEE TO THE CALIFORNIA INTEGRATED WASTE MANAGEMENT  
6 BOARD, YOU HAVE BEEN AN OUTSTANDING ASSET, NOT ONLY TO  
7 ME, BUT TO ALL CALIFORNIANS. YOUR THOUGHTFUL KNOWLEDGE  
8 OF THE GOVERNMENTAL PROCESS, COUPLED WITH YOUR HANDS-ON  
9 APPROACH TO GETTING THINGS DONE, HAS HELPED TO ENSURE  
10 THAT STATE GOVERNMENT WAS MOST EFFECTIVE AND RESPONSIVE  
11 IN MEETING THE NEEDS OF ITS CITIZENS FROM FORMULATING  
12 THE BOARD'S FIRST MARKET DEVELOPMENT PLAN TO PROMOTING  
13 CALIFORNIA'S ENVIRONMENTAL POLICY ABROAD. YOUR  
14 CONTRIBUTIONS HAVE BEEN INVALUABLE TO THE INTEGRATED  
15 WASTE MANAGEMENT INDUSTRY.  
16 "PAUL, YOU HAVE ESTABLISHED AN EXEMPLARY  
17 REPUTATION FOR PUBLIC SERVICE, AND I KNOW YOU WILL BE  
18 SORELY MISSED BY THOSE WHO HAVE HAD THE PLEASURE TO  
19 WORK AND KNOW YOU OVER THE YEARS. AS YOU LEAVE STATE  
20 SERVICE AND PURSUE NEW AVENUES, PLEASE ACCEPT MY BEST  
21 WISHES FOR EVERY FUTURE SUCCESS. SINCERELY, PETE  
22 WILSON."  
23 THE ORIGINAL WILL COME DOWN TO YOU IN A  
24 FEW MINUTES. OKAY. LET'S MOVE ALONG HERE.  
25 THIS IS ITEM 20, CONSIDERATION OF WASTE



1 MANAGEMENT PROPOSAL TO CONTINUE USING NGIC INSURANCE TO  
2 DEMONSTRATE FINANCIAL ASSURANCE FOR CLOSURE AND  
3 POSTCLOSURE.

4 MS. RICE: THANK YOU, MR. CHAIRMAN. RICHARD  
5 CASTLE WILL MAKE A BRIEF STAFF PRESENTATION ONCE HE  
6 SITS DOWN.

7 MR. CASTLE: GOOD AFTERNOON, CHAIRMAN, MEMBERS  
8 OF THE BOARD. I'D LIKE TO BEGIN WITH A BRIEF SUMMARY  
9 OF THE BACKGROUND FOR THIS ISSUE. MORE COMPLETE  
10 HISTORY IS ITEMIZED IN THE SUMMARY IN YOUR PACKET.  
11 IN THE TITLE 27 RULEMAKING PROCESS,  
12 SPECIFIC SECTIONS WERE ADDED TO THE BOARD'S FINANCIAL  
13 ASSURANCE REGULATIONS TO INCLUDE REGULATORY CONTROL OF  
14 INSURANCE FOR CLOSURE AND POSTCLOSURE MAINTENANCE OF  
15 LANDFILLS THIS CHANGE WOULD REQUIRE TO RESOLVE  
16 STATUTORY AMENDMENTS FIRST PRESENT BACK IN 1992  
17 REQUIRING THE BOARD TO ACCEPT IN SOME FORM ANY  
18 FINANCIAL MECHANISM ALLOWED FOR LANDFILLS IN FEDERAL  
19 REGULATIONS  
20 FROM 1992 UNTIL JULY OF 1997, WHEN TITLE  
21 27 BECAME EFFECTIVE, THE BOARD HAD RELIED DIRECTLY ON  
22 THE FEDERAL REQUIREMENTS FOR USE OF INSURANCE FOR  
23 CLOSURE AND POSTCLOSURE MAINTENANCE. CLOSURE INSURANCE  
24 WAS THE ONLY FEDERALLY ALLOWED FINANCIAL MECHANISM NOT  
25 ALREADY IDENTIFIED IN OUR REGULATIONS.



1 SINCE FEBRUARY 1997, MR. CHUCK WHITE OF  
2 WASTE MANAGEMENT HAS MADE IT CLEAR FROM HIS CONTACTS  
3 WITH BOARD STAFF THAT HE UNDERSTANDS THE IMPLICATIONS  
4 OF THE TITLE 27 REGULATIONS FOR CLOSURE AND POSTCLOSURE  
5 MAINTENANCE INSURANCE DEMONSTRATIONS.  
6 STAFF AND MR. WHITE HAVE DISCUSSED THE  
7 SITUATION AT LENGTH SINCE FEBRUARY, AND FINALLY IN  
8 NOVEMBER WASTE MANAGEMENT WAS INFORMED THAT THE ONLY  
9 REMAINING ALTERNATIVES AVAILABLE WITHIN THE BOARD'S  
10 REGULATORY STRUCTURE WERE FOR NGIC, WHICH IS NATIONAL  
11 GUARANTEE INSURANCE COMPANY, WASTE MANAGEMENT'S CAPTIVE  
12 INSURANCE COMPANY, TO MEET THE REQUIREMENTS OF THE  
13 REGULATIONS OR FOR WASTE MANAGEMENT TO SUBSTITUTE  
14 ALTERNATIVE FINANCIAL DEMONSTRATIONS.  
15 KEY ISSUES TO TODAY'S DISCUSSION ARE THAT  
16 MR. WHITE HAS BEEN INVOLVED THROUGHOUT THE BOARD'S  
17 RULEMAKING PROCESS AND WAS AWARE OF THE TITLE 27  
18 REGULATORY CHANGES. MR. WHITE'S IDENTIFIED THAT HE'S  
19 BEEN AWARE OF THE SPECIFIC IMPLICATIONS OF THE  
20 REGULATIONS IN REGARD TO NGIC FOR APPROXIMATELY ONE  
21 YEAR.  
22 NGIC MADE APPLICATION TO THE DEPARTMENT  
23 OF INSURANCE BACK IN THE SPRING OF 1997, BUT THE  
24 APPLICATION WAS WITHDRAWN SHORTLY THEREAFTER BEFORE THE  
25 DEPARTMENT HAD MADE A DETERMINATION. BOARD STAFF



1 ATTEMPTED SINCE FEBRUARY OF LAST YEAR TO RESOLVE THIS  
2 ISSUE WITH WASTE MANAGEMENT WITHIN THE CURRENT  
3 REGULATORY STRUCTURE; HOWEVER, WASTE MANAGEMENT AND  
4 NGIC HAVE BEEN UNABLE TO COMPLY WITH THE CURRENT  
5 REGULATIONS WHICH REQUIRE ALL INSURERS, INCLUDING  
6 CAPTIVE INSURERS, TO MEET THE INSURANCE STANDARDS SET  
7 BY THE DEPARTMENT OF INSURANCE.  
8 KEY TO THIS ISSUE IS THE FACT THAT THE  
9 ONLY OTHER CALIFORNIA LANDFILL OPERATOR UTILIZING A  
10 CAPTIVE INSURER, THAT'S USA WASTE, WAS NOTIFIED OF THE  
11 SAME REQUIREMENTS IMPOSED UPON WASTE MANAGEMENT. THE  
12 DIFFERENCE IS THAT USA WASTE HAS COMPLIED WITH THE  
13 BOARD'S REGULATIONS AND PROVIDED ALTERNATIVE FINANCIAL  
14 ASSURANCE DEMONSTRATIONS.  
15 FINALLY, THE BOARD SHOULD ALSO CONSIDER  
16 THAT IF WASTE MANAGEMENT IS ALLOWED TO CONTINUE TO  
17 UTILIZE NGIC WHILE THE DEPARTMENT OF INSURANCE  
18 APPROVALS ARE SOUGHT, STAFF WILL NOT BE IN A POSITION  
19 TO RECOMMEND CONCURRENCE ON ANY PERMIT ACTIONS  
20 INVOLVING WASTE MANAGEMENT FACILITIES DURING SUCH A  
21 PROCESS. THIS IS BECAUSE ALL PERMIT ACTIONS REQUIRE  
22 FULLY ACCEPTABLE FINANCIAL ASSURANCE DEMONSTRATIONS  
23 PRIOR TO BOARD CONCURRENCE.  
24 STAFF RECOMMENDS THAT THE BOARD SUPPORT  
25 THE NOVEMBER 14TH NOTICE TO WASTE MANAGEMENT, WHICH IS



1 REPRESENTED BY OPTION 1 IN YOUR PACKET. AND THIS  
2 CONCLUDES STAFF'S PRESENTATION. WE'RE PREPARED TO  
3 ANSWER ANY QUESTIONS THE BOARD MAY HAVE.

4 CHAIRMAN PENNINGTON: QUESTIONS?

5 BOARD MEMBER JONES: I HAVE A QUESTION, MR.  
6 CHAIRMAN. WE RECEIVED A LETTER FROM THE GENERAL  
7 COUNSEL OF THE INSURANCE COMMISSION THAT BASICALLY SAID  
8 THAT GENERAL COUNSEL WAS -- INSURANCE COMMISSION WAS  
9 WORKING WITH WASTE MANAGEMENT, AND THEY DIDN'T REALLY  
10 HAVE A PROBLEM WITH LETTING THAT CONTINUE, YOU KNOW,  
11 THAT WE CAN FEEL OKAY THAT THEY'RE WORKING THROUGH THE  
12 PROCESS.

13 I THINK WHEN WE HAD THIS ITEM OR WHEN WE  
14 HAD A BRIEFING OR WHEN WE WERE TALKING ABOUT IT BEFORE  
15 OR SOMETHING OR MAYBE IT WAS EVEN IN AN EX PARTE  
16 MEETING THAT WE HAD WITH WASTE MANAGEMENT A LONG TIME  
17 AGO, HONESTLY I DON'T REMEMBER, BUT IT WAS LIKE WASTE  
18 STARTED DOWN THE ROAD WITH THE STATE, THE STATE WAS  
19 USED TO LOOKING AT THESE TYPES OF CAPTIVE INSURANCE  
20 COMPANIES FROM ONE DIRECTION, THIS WAS A DIFFERENT  
21 DIRECTION, AND TOOK SOME DIFFERENT CRITERIA TO EVALUATE  
22 WHAT WAS RIGHT, WHAT WAS WRONG, WHATEVER, AND I GUESS  
23 THEY WERE WORKING THROUGH THAT PROCESS, AND AT SOME  
24 POINT STOPPED. OKAY.  
25 IS THAT -- I MEAN THAT IT SEEMS TO ME IS





1 WHAT LED THEM DOWN THAT ROAD. THAT'S WHY THEY PULLED  
2 THE THING AND THEY WERE WORKING.  
3 I'M JUST WONDERING IF -- IF WE WERE TO GO  
4 WITH A DIFFERENT OPTION OTHER THAN YOURS, WHICH WOULD  
5 BE TWO, AND SAY KEEP NEGOTIATING, WORK ON IT, AS LONG  
6 AS THE GENERAL COUNSEL SAYS THEY CAN LIVE WITH IT,  
7 THEN, YOU KNOW, IT SEEMS TO ME THE PROCESS COULD GO  
8 THROUGH. IF THEY WERE TO BRING A FACILITY FORWARD --  
9 AND I DON'T KNOW IF THEY HAVE ANY COMING DOWN THE PIKE  
10 OR ANYTHING -- AND THE INSURANCE COMMISSION SAYS WE'RE  
11 WORKING WITH THEM. DON'T GET NERVOUS ABOUT THIS, WHY  
12 COULDN'T WE - - AND THIS MAY BE HYPOTHETICAL BECAUSE I  
13 DON'T KNOW IF AN ISSUE IS COMING THROUGH, BUT IF THE  
14 INSURANCE COMMISSION IS' SAYING WE'RE GOING TO WORK WITH  
15 WASTE MANAGEMENT TO SEE IF IT'S VALID OR NOT, GO AHEAD  
16 AND USE IT UNTIL WE MAKE A DETERMINATION WHETHER OR NOT  
17 IT IS, YOU'RE COVERED, YOU'RE SAFE, AND WE HAVE A  
18 FACILITY COME FORWARD, WOULD THIS NOT KIND OF TAKE CARE  
19 OF THAT?

20 MS. RICE: I GUESS WE VIEW THAT LETTER A  
21 LITTLE DIFFERENTLY, AND COUNSEL MAY WANT TO ELABORATE  
22 ON THAT. ALL I READ THE LETTER TO SAY IS THAT THE  
23 DEPARTMENT OF INSURANCE DIDN'T MIND IF THIS BOARD WANTS  
24 TO CONSIDER ALLOWING THE CONTINUED VIOLATION OF YOUR  
25 OWN REGULATION, BUT IT IS YOUR REGULATION, NOT THE



1 DEPARTMENT OF INSURANCE'S, THAT THEY'RE INDICATING THEY  
2 DON'T MIND. SO IN A SENSE I DIDN'T -- PERHAPS YOU WANT  
3 TO ELABORATE, KATHRYN.

4 MS. TOBIAS: ACTUALLY I THINK THAT SAID IT  
5 PRETTY WELL.

6 I THINK THE PROBLEM WITH THIS LETTER IS  
7 THAT THE DEPARTMENT OF INSURANCE DOESN'T SAY THAT THEY  
8 ARE CHANGING THEIR OWN PROCEDURES OR THAT THEY ARE  
9 SOMEHOW GOING TO ADD THIS AND THEN BE ON SOME KIND OF  
10 TEMPORARY BASIS. WHAT THEY SAY IN THE LETTER IS THAT  
11 THEY DON'T HAVE ANY PROBLEM IF WE DO SOMETHING  
12 DIFFERENT.

13 AND THE PROBLEM IS THAT OUR REGULATIONS  
14 REQUIRE, AND LET ME JUST READ THIS SINCE THIS IS NOT  
15 THE EASIEST THING TO PARAPHRASE. TITLE 27 OF THE CCR  
16 SECTION 22248(A) REQUIRES THAT THE INSURER ISSUING  
17 INSURANCE TO A LANDFILL OPERATOR FOR CLOSURE AND/OR  
18 POSTCLOSURE MAINTENANCE COSTS MUST BE AT LEAST LICENSED  
19 BY THE CALIFORNIA DEPARTMENT OF INSURANCE AS AN  
20 ADMITTED INSURANCE CARRIER AUTHORIZED TO SELL INSURANCE  
21 IN THE STATE OF CALIFORNIA. AND IT GOES ON TO SAY THAT  
22 IF THERE'S NO INSURANCE AVAILABLE, ETC.

23 BASICALLY THE BOTTOM LINE IS OUR  
24 REGULATIONS STATE THAT YOU MUST BE -- MUST HAVE THIS  
25 LICENSE BY THE DEPARTMENT OF INSURANCE, AND WE CAN'T



1 VIOLATE OUR OWN REGULATIONS IS THE PROBLEM. AND THE  
2 DEPARTMENT OF INSURANCE HAS NO ABILITY TO WAIVE OUR  
3 REGULATION -- MEETING OUR OWN REGULATIONS.

4 BOARD MEMBER RELIS: COULD I ASK A QUESTION ON  
5 THIS? OKAY. WHEN YOU PUT IT AS VIOLATING OUR OWN  
6 REGULATIONS, YOU KNOW, THAT HAS A CERTAIN DIRECT  
7 MEANING TO ME. IN THIS CASE I WAS UNDER THE  
8 UNDERSTANDING THAT MAYBE THIS THING WOULD GET WORKED  
9 OUT IN A PERIOD OF TIME. IN THE INTERIM THERE IS  
10 INSURANCE, AND THEY WOULD NOT BE ABLE TO COME FORWARD  
11 ON A PERMIT UNLESS THE INSURANCE WAS IN HAND. SO I  
12 GUESS I'M JUST -- AT THIS POINT I'M ASKING THE QUESTION  
13 IS THERE ANY HARM? WHAT IS THE DOWNSIDE IF TIME WERE  
14 GRANTED? THAT'S MY ONLY QUESTION.

15 MS. RICE: OUR POSITION AS STAFF, AND YOU CAN  
16 CERTAINLY DISAGREE, IS THAT CURRENTLY THE SITUATION IS  
17 THAT THEY DO NOT MEET THE REQUIREMENT OF THE REGULATION  
18 FOR ONE OF THE APPROVED FINANCIAL ASSURANCES  
19 MECHANISMS. AS YOU KNOW, WE VIEW THAT AS A VIOLATION  
20 OF THE FINANCIAL ASSURANCES REQUIREMENTS. AND THE  
21 BOARD IS DIRECTLY RESPONSIBLE FOR ENFORCEMENT OF THOSE  
22 PARTICULAR REGULATIONS RATHER THAN THE LEA. SO WE TAKE  
23 THAT SERIOUSLY, AND THAT IS AN ISSUE THAT IS RAISED ON  
24 EVERY LANDFILL PERMIT WHEN IT COMES UP. IS THERE  
25 COMPLIANCE WITH FINANCIAL ASSURANCES REQUIREMENTS?



1 AS RICHARD INDICATED IN HIS OPENING  
2 REMARKS, IN THIS INSTANCE WE AS STAFF WOULD SAY, NO,  
3 THERE IS NOT COMPLIANCE WITH THE LETTER OF THOSE  
4 REGULATIONS.  
5 REFERRING BACK AGAIN TO THE DEPARTMENT OF  
6 INSURANCE, WE HAVE NO SENSE FROM THAT LETTER OR FROM  
7 ANY CONVERSATIONS WE'VE HAD WITH THEM HOW LONG WILL  
8 THIS TAKE? IS IT GOING TO BE A YEAR? IS IT GOING TO  
9 BE TWO YEARS? DOES IT REQUIRE CHANGES TO YOUR  
10 REGULATIONS, TO YOUR STATUTES? WE DON'T HAVE A SENSE  
11 OF WHAT THAT IS. PERHAPS WASTE MANAGEMENT HAS A BETTER  
12 IDEA OF THAT; SO FROM OUR PERSPECTIVE, WE ARE NOT  
13 GETTING ANY TIME FRAME THAT WE COULD LOOK AT.

14 BOARD MEMBER RELIS: I THINK AN OPEN-ENDED  
15 THING FROM MY VIEW WOULD NOT BE ACCEPTABLE. BUT I'M  
16 JUST EXPLORING THIS. THAT'S ALL I'M DOING RIGHT NOW.

17 CHAIRMAN PENNINGTON: LET'S HEAR FROM THE  
18 PUBLIC, AND THEN WE CAN PURSUE THAT A LITTLE. CHUCK  
19 WHITE.

20 MR. WHITE: THANK YOU, MR. CHAIRMAN, I THINK.  
21 I'M A LITTLE BIT NERVOUS ABOUT SPEAKING. MAYBE I'LL  
22 JUST SIT DOWN NOW BEFORE I GO ANY FURTHER.  
23 WE DO APPRECIATE THE OPPORTUNITY TO COME  
24 BEFORE THE BOARD. WE THINK THE DELIBERATION TODAY IS  
25 TOTALLY APPROPRIATE. WE DO HOPE YOU GIVE US MORE TIME



1 TO WORK WITH THE DEPARTMENT OF INSURANCE. WE ARE PUT  
2 IN THIS POSITION BECAUSE OF REGULATIONS THAT WERE  
3 INCORPORATED IN YOUR 1220 REGULATORY PACKAGE THAT  
4 BASICALLY SAY WE HAVE TO GO TO THE DEPARTMENT OF  
5 INSURANCE IN A SPECIFIC WAY. WE HAVE TO SEEK THEIR  
6 APPROVAL.  
7 WE'VE BEEN OPERATING IN THE PAST IN  
8 ACCORDANCE WITH CALIFORNIA INSURANCE LAW, BUT THROUGH A  
9 SELF-PROCUREMENT PROVISION OF THAT LAW. YOUR  
10 REGULATIONS CHANGE THAT AND BASICALLY SAY WE CANNOT USE  
11 SELF-PROCUREMENT ANYMORE. WE HAVE TO GET THE SPECIFIC  
12 APPROVAL.  
13 I WOULD LIKE TO MENTION KATHRYN'S  
14 CITATION OF THE LANGUAGE IS CORRECT. THERE'S TWO  
15 PARTS. SHE READ PARAGRAPH A WHICH SAYS YOU HAVE TO BE  
16 LICENSED AS AN INSURER TO TRANSACT BUSINESS OR, B, IF  
17 CURRENTLY NOT AVAILABLE IN A, THEN YOU MAY SEEK IT AS  
18 AN INSURER WHICH IS ELIGIBLE TO PROVIDE INSURANCE AS AN  
19 EXCESS AND SURPLUS LINES INSURER AND THAT THAT  
20 INSURANCE HAS TO BE TRANSACTED THROUGH A SURPLUS LINES  
21 BROKER WHO IS LICENSED.  
22 WE HAVE EVERY INTENTION IF WE USE B TO GO  
23 THROUGH A LICENSED SURPLUS LINES BROKER. THERE'S NO  
24 QUESTION ABOUT THAT.  
25 THE STRUCTURE OF THIS LANGUAGE IS NOT



1 ALTOGETHER CLEAR. IN FACT, IT WASN'T UNTIL EARLY IN  
2 '97 THAT WE BEGAN TO REALIZE THAT THIS REALLY FORCES US  
3 TO GO THROUGH AN EXCESS AND SURPLUS LINES PROCESS,  
4 WHICH I'LL TALK ABOUT BRIEFLY. BY THE WAY, WE DON'T  
5 OBJECT TO GOING THROUGH THAT PROCESS THROUGH THE  
6 DEPARTMENT OF INSURANCE. WE WANT TO GO THROUGH THAT  
7 PROCESS. WE THINK WE CAN GO THROUGH THAT PROCESS VERY  
8 EFFECTIVELY.

9 WASTE MANAGEMENT USES NGIC THROUGHOUT THE  
10 UNITED STATES, 21 STATES, A NUMBER OF DIFFERENT  
11 LANDFILLS, SIX SOLID WASTE LANDFILLS IN CALIFORNIA.  
12 WE'RE INTERESTED AND VERY COMMITTED TO WANTING TO  
13 CONTINUE TO USE THIS MECHANISM. IT'S JUST THAT WE NEED  
14 A LITTLE MORE TIME. WERE NOT TALKING ABOUT AN  
15 OPEN-ENDED, AND WE'RE WILLING TO MAKE SOME COMMITMENTS  
16 TO DELIVER TO YOU A FINAL, CLEAR AND UNAMBIGUOUS  
17 APPROVAL WITHIN A SPECIFIED PERIOD OF TIME. WE JUST  
18 NEED A LITTLE MORE TIME.

19 WHY DO WE NEED MORE TIME? IN EARLY '97  
20 WHEN WE REALIZED THE IMPLICATION OF THESE REGULATIONS,  
21 WE DID INITIATE DISCUSSIONS WITH THE DEPARTMENT OF  
22 INSURANCE. AND THERE WAS A NUMBER OF CONCLUSIONS WE  
23 REACHED, BUT THERE WERE TWO THAT IN MY OPINION WERE  
24 FIRST AND FOREMOST. ONE WAS THAT THERE WAS NOT ANY  
25 OTHER EXCESS AND SURPLUS LINES CARRIER ON THE APPROVED



1 LIST OF THE DEPARTMENT OF INSURANCE THAT WASN'T A  
2 COMMERCIAL INSURANCE PROVIDER. THEY HAD NEVER GONE  
3 THROUGH THE PROCESS AND LOOKED AT A CAPTIVE THAT  
4 BASICALLY COVERS ONLY ITS OWN RISKS. WE'RE A UNIQUE  
5 ANIMAL IN THAT REGARD.  
6 I WON'T GO INTO DETAILS OF THE  
7 DIFFERENCES THERE, BUT WE CLEARLY -- WE HAVE NO  
8 INTEREST IN BEING A COMMERCIAL INSURANCE PROVIDER.  
9 WE'RE ONLY PROVIDING THIS INSURANCE MECHANISM TO MEET  
10 THE ENVIRONMENTAL REGULATIONS OF YOUR BOARD AND OTHER  
11 ENVIRONMENTAL AGENCIES THROUGHOUT THE UNITED STATES,  
12 BUT WE HAVE NO INTEREST IN BEING A COMMERCIAL CARRIER  
13 PROVIDED TO ANYBODY OUTSIDE OF WASTE MANAGEMENT.  
14 THE OTHER CONCLUSION WE REACHED AFTER  
15 THESE DISCUSSIONS IN EARLY '97 WITH THE DEPARTMENT OF  
16 INSURANCE WAS THAT WE PROBABLY NEED TO RESTRUCTURE OUR  
17 INSURANCE COMPANY IN ORDER TO SEEK -- TO GAIN APPROVAL  
18 ULTIMATELY BY THE DEPARTMENT OF INSURANCE. THIS IS A  
19 LARGE CORPORATION THAT WE USED IN 21 STATES. YOU JUST  
20 DON'T GO AND RESTRUCTURE A LARGE BILLION DOLLAR ASSET  
21 PROTECTING INSTRUMENT LIKE THIS OVERNIGHT.  
22 WE ARE IN THE PROCESS OF DOING THAT. LET  
23 ME GIVE YOU AN EXAMPLE OF JUST ONE ITEM WHERE WE'RE IN  
24 THE PROCESS OF RESTRUCTURING IT. WE WERE GOING THROUGH  
25 THE DEPARTMENT OF INSURANCE. BASICALLY ONE OF THE



1 REQUIREMENTS IS YOU HAVE TO USE LIQUID ASSETS TO BACK  
2 UP THE RISKS THAT YOU'RE INSURING AGAINST. ONE OF THE  
3 LIQUID ASSETS WE'VE USED IN THE PAST HAS BEEN THE STOCK  
4 OF AFFILIATED -- COMPANIES AFFILIATED WITH WASTE  
5 MANAGEMENT. THEY'RE TRADED ON THE NEW YORK STOCK  
6 EXCHANGE. WE VIEW THEM AS BEING VERY LIQUID; HOWEVER,  
7 THE DEPARTMENT OF INSURANCE HAS HISTORICALLY VIEWED  
8 SOMEWHAT SKEPTICALLY ON THE USE OF AFFILIATED COMPANY  
9 STOCK.  
10 WE ARE IN THE PROCESS OF NO LONGER USING  
11 STOCK AS A WAY OF BACKING UP THE ASSETS OF NGIC. BY  
12 MARCH OR APRIL OF THIS YEAR, WE'RE GOING TO TRANSITION  
13 ALL OF OUR STOCKS TO LETTERS OF CREDIT. AND THIS -- WE  
14 CANNOT POSSIBLY DO THIS GIVEN THE NATURE OF THE WAY  
15 IT'S SET UP SOONER THAN MARCH OR APRIL. SO AT BEST, WE  
16 CAN'T REALLY BE IN A POSITION TO DEMONSTRATE THE  
17 RESTRUCTURED SITUATION OF OUR NEW NGIC UNTIL MARCH OR  
18 APRIL. WE WOULD LIKE AT LEAST THE TIME TO BE ABLE TO  
19 WORK WITH THE DEPARTMENT OF INSURANCE TO DEMONSTRATE  
20 THIS RESTRUCTURING, AND WE'RE COMMITTED TO DOING THAT.  
21 THERE'S A COUPLE OTHER ISSUES, BUT WE  
22 DON'T BELIEVE FROM OUR PREVIOUS DISCUSSIONS THAT THERE  
23 IS ANY INSURMOUNTABLE OBSTACLE THAT WOULD PREVENT US  
24 FROM BEING APPROVED BY THE CALIFORNIA DEPARTMENT OF  
25 INSURANCE, BUT WE NEED TO EFFECT SOME CHANGES, AND WE





1 NEED TO SIT DOWN AND TALK TO THEM ABOUT HOW MUCH WE  
2 NEED TO ADJUST THIS OR ADJUST THAT. WE'RE COMMITTED TO  
3 DO THAT. THE GENERAL COUNSEL IS COMMITTED TO WORKING  
4 WITH US, THE DIVISION CHIEFS OF THE DEPARTMENT OF  
5 INSURANCE ARE COMMITTED TO WORKING WITH US. WE JUST  
6 NEED TO GO THROUGH THAT PROCESS.  
7 WHY DON'T WE SWITCH TO ANOTHER MECHANISM  
8 RIGHT NOW AND CONTINUE WITH THAT PROCESS? WELL, QUITE  
9 FRANKLY, THIS IS A LESS EXPENSIVE MECHANISM FOR US TO  
10 USE. WE'RE A COMPETITIVE BUSINESS. WE TRY TO PROVIDE  
11 SERVICE AT THE LEAST PRICE. WE'D LIKE TO BE ABLE TO  
12 CONTINUE USING NGIC. IT HELPS US TO MEET OUR COMMIT-  
13 MENT IN THE MOST COST-EFFECTIVE WAY WE POSSIBLY CAN.  
14 AND IT -- IF WE WERE TO' ELIMINATE IT, IT PROVIDES FOR  
15 REDUCED FLEXIBILITY. PRIVATE AND PUBLIC INSURANCE  
16 COMPANIES ALIKE -- SOLID WASTE FACILITY OPERATORS ALIKE  
17 LIKE TO HAVE A MAXIMUM NUMBER OF OPTIONS TO BE ABLE TO  
18 PROVIDE FINANCIAL ASSURANCE. AND ELIMINATING ONE JUST  
19 SIMPLY LIMITS THE OPTIONS.  
20 WE'RE NOT ASKING FOR AN UNLIMITED  
21 EXTENSION. ALL WE'RE SUGGESTING IS GIVE US AN  
22 ADDITIONAL SIX MONTHS TO COME BACK BEFORE YOU AND  
23 DEMONSTRATE THAT WE HAVE ACQUIRED APPROVAL FROM THE  
24 DEPARTMENT OF INSURANCE. IN FACT, WE'RE WILLING TO  
25 COMMIT TO SUBMITTING A COMPLETE APPLICATION TO THE



1 DEPARTMENT OF INSURANCE BY THE END OF MARCH. GIVE US  
2 TWO MONTHS TO PUT TOGETHER THE COMPLETE APPLICATION,  
3 AND THEN LET THE WHEELS WORK. AND IF ANY POINT IN TIME  
4 WE GET REJECTED OR WE PULL BACK OUR APPLICATION, THEN  
5 WE'LL WITHDRAW FROM USING INSURANCE AND GO TO ANOTHER  
6 MECHANISM.  
7 WE'RE WILLING TO REPORT TO THE STAFF ON  
8 AS FREQUENT BASIS AS YOU WISH, WHETHER THAT'S DAILY,  
9 WEEKLY, OR MONTHLY. WE WILL SIT DOWN WITH THEM AND  
10 EXPLAIN THE EXACT PROCESS WE'RE GOING THROUGH, THE  
11 DISCUSSIONS WE'RE HAVING WITH THE DEPARTMENT OF  
12 INSURANCE. WE'D BE HAPPY TO INVOLVE THE STAFF OF THE  
13 BOARD DURING THOSE PROCESSES IF THAT'S YOUR DESIRE AS  
14 WELL.  
15 SO IN JULY OR AUGUST WE WOULD LIKE TO BE  
16 IN A POSITION TO REPORT TO YOU, IF NOT SOONER, THAT WE  
17 HAVE SECURED THE APPROVAL, BUT AT LEAST BE ABLE TO HAVE  
18 THE OPTION AFTER SIX MONTHS TO COME BACK TO YOU AND  
19 TELL YOU WHERE WE'VE BEEN, AND YOU CAN EITHER SAY,  
20 THAT'S ENOUGH TIME, WASTE MANAGEMENT; OR IF FOR SOME  
21 REASON WE'RE WITHIN A HAIR'S BREADTH, YOU MIGHT GIVE US  
22 MORE TIME AT THAT POINT IN TIME, BUT WE'RE WILLING TO  
23 COME BACK TO YOU WITHIN SIX MONTHS, AND WE PROPOSE THAT  
24 BE OPTIONAL.  
25 WHY IS THIS PROPOSAL WE'RE SUGGESTING



1 REASONABLE? WHY IS A LITTLE MORE TIME, SIX MONTHS,  
2 REASONABLE? THE STATUTE THAT -- UPON WHICH THIS IS  
3 BASED BASICALLY WENT INTO EFFECT JULY 1 OF '93,  
4 BASICALLY SAYS THAT THE BOARD SHALL NOT EXCLUDE ANY  
5 MECHANISM ALLOWED UNDER FEDERAL LAW, BUT MAY REASONABLY  
6 REGULATE IT. WE BELIEVE REASONABLE REGULATION INCLUDES  
7 A REASONABLE TIME TO MAKE CHANGES NECESSARY TO COMPLY  
8 WITH THESE REQUIREMENTS. WE JUST WOULD LIKE A LITTLE  
9 MORE TIME TO DO THAT. AND WE THINK THE REGULATION  
10 BECAME EFFECTIVE, I THINK, ON AUGUST 15TH OF '97, A  
11 YEAR TIME FRAME OR SO TO MAKE SURE THAT WE CAN ADJUST  
12 THIS MECHANISM TO MEET THE REQUIREMENTS WE THINK IS  
13 PERFECTLY LEGITIMATE AND HOPE YOU WOULD AGREE AS WELL.  
14 IT TOOK The BOARD AND THE STAFF FOUR AND  
15 A HALF YEARS TO ADOPT THE REGULATIONS SINCE THE  
16 LEGISLATION TOOK EFFECT ON JANUARY 1 OF '93, 50 FOUR  
17 AND A HALF YEARS TO ADOPT THE REGULATION. IT SEEMS TO  
18 ME AN ADDITIONAL YEAR TO COME INTO COMPLIANCE WITH IT  
19 IS NOT THAT UNREASONABLE IN THE OVERALL SCHEME OF  
20 THINGS.  
21 THE DEPARTMENT OF INSURANCE DOES SAY IT'S  
22 OKAY. THEY DON'T HAVE AN OBJECTION TO CONTINUE TO USE  
23 THIS MECHANISM. THEY'VE LOOKED AT IT. THERE'S A FEW  
24 THINGS WE NEED TO MAKE CHANGES TO. WE'RE WILLING TO  
25 MAKE THOSE CHANGES, BUT THERE'S NOTHING INSURMOUNTABLE,



1 IN OUR VIEW, THAT WOULD PREVENT US FROM GAINING THE  
2 DEPARTMENT OF INSURANCE APPROVAL DOWN THE ROAD.

3 BOARD MEMBER RELIS: MR. WHITE, I WAS JUST  
4 GOING TO SAY I'M INCLINED TO EXPLORE SOMETHING HERE,  
5 BUT I DON'T WANT YOU TO -- I MEAN I'M PREPARED TO OFFER  
6 A PROPOSAL HERE IF THERE ARE NO OTHER SPEAKERS ON THIS.  
7 IF THERE ARE, THEN I'M --

8 CHAIRMAN PENNINGTON: THERE ARE TWO OTHERS.

9 BOARD MEMBER RELIS: THERE ARE TWO OTHERS.  
10 NEVER MIND.

11 MR. WHITE: READING YOUR MESSAGE, NEVER HAD A  
12 PROBLEM. WE'RE NOT GOING TO HAVE ANY CLOSURE-  
13 POSTCLOSURE OBLIGATION COMING UP IN CALIFORNIA IN THE  
14 NEAR FUTURE. WE WOULD LIKE A LITTLE MORE TIME TO COME  
15 INTO COMPLIANCE WITH THE REQUIREMENTS.

16 WE HAVE DON HAUFE HERE. DON IS FROM  
17 OAKBROOK, ILLINOIS. HE IS THE PRESIDENT OF NGIC. HE  
18 DOESN'T HAVE ANYTHING LONG TO SAY, BUT HE WOULD LIKE TO  
19 EMPHASIZE THE COMMITMENT WE HAVE AS WASTE MANAGEMENT TO  
20 ASSURE THAT THIS MECHANISM, THE NGIC, DOES MEET THE  
21 FULL REQUIREMENTS OF THE BOARD AND CALIFORNIA  
22 DEPARTMENT OF INSURANCE.

23 MR. HAUFE: THANK YOU. I WILL KEEP THIS VERY,  
24 VERY BRIEF, I PROMISE, WHICH IS VERY UNUSUAL FOR ME.  
25 DON HAUFE, H-A-U-F-E.



1 WHEN NATIONAL GUARANTEE WAS BEGUN BACK IN  
2 1989, THE COMPANY MADE FOUR KEY COMMITMENTS IN HOW THE  
3 COMPANY WAS GOING TO BE STRUCTURED AND OPERATED.  
4 FIRST, THE COMPANY WAS GOING TO SCRUPULOUSLY FOLLOW  
5 EVERY STATE, LOCAL, AND FEDERAL ENVIRONMENTAL  
6 REGULATION AND EVERY STATE INSURANCE REGULATION. WE  
7 WERE GOING TO MAKE SURE WE HAD A LEGAL BASIS TO OPERATE  
8 AND EVERYTHING WAS AGREED TO BEFORE WE ISSUED ANY  
9 DOCUMENTS.  
10 SECONDLY, WE WERE GOING TO CAPITALIZE THE  
11 COMPANY AT VERY HIGH LEVELS IN A BIT OF A SPREAD OF  
12 RISK. WE USE SOME STOCK, WE USE SOME LETTERS OF  
13 CREDIT, WE USE SOME REAL ESTATE.  
14 THIRD, WE WERE GOING TO DOMICILE THE  
15 CAPTIVE IN VERMONT. WE WEREN'T GOING TO GO OFFSHORE.  
16 WE WERE GOING TO DO IT IN VERMONT WHERE THE STATE HAS  
17 THE MOST STABILITY AND THE BEST REPUTATION FOR STRICTLY  
18 ENFORCING SOME TOUGH BUT REASONABLE AND RESPONSIBLE  
19 REGULATIONS FOR MANAGING CAPTIVE INSURANCE COMPANIES.  
20 AND FINALLY, WE WERE GOING TO RESTRICT  
21 NATIONAL GUARANTEE TO ONLY WASTE MANAGEMENT'S BUSINESS.  
22 WE WEREN'T GOING TO TAKE THE RISKS OF THIRD PARTIES.  
23 MR. WHITE HAS INDICATED THAT NATIONAL  
24 GUARANTEE IS VERY SUCCESSFUL. WE OPERATE IN 22 STATES.  
25 WE DO HAZARDOUS AND SOLID WASTE BONDS -- EXCUSE ME --



1 FINANCIAL ASSURANCE POLICIES. WE'VE GOT ABOUT 200 OF  
2 THOSE OUTSTANDING. WE HAVE ALMOST 1500 PERFORMANCE  
3 BONDS OUTSTANDING, AND PROBABLY -- CERTAINLY VIRTUALLY  
4 ALL OF THOSE INSTANCES, IF NOT LITERALLY ALL THOSE  
5 INSTANCES, THOSE GO TO MUNICIPALITIES, GOVERNMENT  
6 AGENCIES, AND THE LIKE.  
7 I'M HERE TO REALLY MAKE A FIFTH  
8 COMMITMENT TO YOU ALONG WITH THE FIRST FOUR THAT WE  
9 DID, AND THAT'S THAT WE'RE GOING TO WORK QUICKLY,  
10 OPENLY, AND HONESTLY WITH THE DEPARTMENT OF INSURANCE  
11 TO ANSWER ANY QUESTIONS, ANY CONCERNS THAT THEY MAY  
12 HAVE, AND MAKE ANY CHANGES IN THE STRUCTURE OF NATIONAL  
13 GUARANTEE THAT WE REALLY HAVE TO MAKE AND THAT WE CAN  
14 MAKE TO ANSWER THEIR CONCERNS AND GET THAT APPROVAL.  
15 AND AS MR. WHITE SAID, IF AT SOME POINT ALONG THE LINE  
16 IT BECOMES OBVIOUS THAT THAT IS NOT GOING TO HAPPEN AND  
17 WE CAN'T DO IT, WE'RE GOING TO FOLD OUR TENTS, AND  
18 WE'RE GOING TO REPLACE THE INSTRUMENT. THANK YOU.

19 CHAIRMAN PENNINGTON: MARK LEARY.

20 MR. LEARY: GOOD AFTERNOON. I'LL KEEP IT  
21 SHORT. FOR THE PURPOSE OF THE RECORD, MY NAME IS MARK  
22 LEARY FROM BROWNING-FERRIS INDUSTRIES, BFI, IN A GREAT  
23 PARALLEL ATTEMPT TO LINK ARMS WITH CHUCK TODAY. GIVEN  
24 HIS RECORD THIS AFTERNOON, I'M RUNNING GREAT RISK, I  
25 UNDERSTAND.



1 I HAVE NOTHING TO OFFER IN TERMS OF NGIC  
2 AND WMI. FOR SOME REASON CHUCK AND HIS COMPANY IS NOT  
3 SEEING FIT TO SHARE WITH ME THE DETAILS OF THEIR  
4 FINANCIAL OPERATIONS HERE IN CALIFORNIA, BUT AT THE  
5 SAME TIME WE'VE ALWAYS SUPPORTED THE USE OF CAPTIVE  
6 INSURERS AS A FINANCIAL ASSURANCE MECHANISM IN  
7 CALIFORNIA AND DO ENCOURAGE AND SUPPORT THEIR CONTINUED  
8 FLEXIBILITY IN DEALING WITH THIS ISSUE OF WASTE  
9 MANAGEMENT'S. THANK YOU.

10 CHAIRMAN PENNINGTON: THANK YOU.

11 BOARD MEMBER RELIS: MR. CHAIR, I WOULD  
12 PROPOSE THAT - - AND LET ME JUST RUN THIS AGAIN. WOULD  
13 ANY HARM -- WOULD THERE BE ANY BREACH IN OUR  
14 ENFORCEMENT WERE WE TO ALLOW A SIX-MONTH TIME PERIOD  
15 FOR THEM TO COMPLETE AN INSURANCE MOVE WITH --

16 MS. RICE: WE JUST VIEW IT AS A CONTINUED  
17 NONCONFORMANCE - - VIOLATION SEEMS TO BE A WORD THAT  
18 ECHOED A LITTLE TOO HARSHLY -- WITH OUR REGULATIONS. SO  
19 WE DO VIEW IT AS ALLOWING THAT CONTINUED NONCOMPLIANCE.

20 CHAIRMAN PENNINGTON: HOWEVER, WE HAVE BEEN  
21 LETTING IT GO ON, HAVEN'T WE? WE HAVE BEEN DOING THIS?

22 MS. RICE: WELL, THE REASON THIS ISSUE IS  
23 BEFORE YOU TODAY IS BECAUSE IN NOVEMBER WE AS STAFF  
24 FELT THE SITUATION HAD BEEN GOING ON A BIT TOO LONG,  
25 AND WE SENT A LETTER SAYING PLEASE GET THIS RECTIFIED



1 BY A DATE CERTAIN IN JANUARY. AND THE COMPANY IS HERE  
2 TODAY TO APPEAL THAT DECISION.

3 BOARD MEMBER RELIS: WELL, I WOULD MOVE THAT  
4 WE EXTEND IT SIX MONTHS AND NO FURTHER -- I MEAN NO  
5 DATE BEYOND THAT DATE, THAT IT WOULDN'T BE A NEGOTIABLE  
6 IF THEY COULDN'T GET IT CONCLUDED IN THAT TIME FRAME.

7 CHAIRMAN PENNINGTON: COULD WE ADD, AND I'D BE  
8 HAPPY TO SECOND YOUR MOTION, BUT WE ADD THAT THEY  
9 REPORT BACK TO US IN 90 DAYS AS TO THEIR PROGRESS?

10 BOARD MEMBER GOTCH: ACTUALLY, IF I MAY OFFER  
11 THAT OPTION 3 OFFERS EVERY OTHER MONTH TO GET BACK TO  
12 US, WHICH I THINK IS A LITTLE BIT MORE REASONABLE.

13 MS. TOBIAS: AND, MR. CHAIR, I HAVE A THOUGHT,  
14 AND I WILL SAY THAT WE JUST THOUGHT OF IT, SO I'M GOING  
15 TO OFFER IT OFF THE TOP OF MY HEAD IN RESPONSE TO WHAT  
16 MR. RELIS WAS SAYING. I MIGHT SUGGEST THAT WE CONSIDER  
17 DOING THIS UNDER A NOTICE AND ORDER SO THAT'S MORE OF  
18 AN ENFORCEMENT. I CAN'T THINK OF A REASON WHY WE  
19 SHOULDN'T DO IT THAT WAY, AND IT SEEMS TO ME THAT AT  
20 LEAST THEN THE BOARD IS MORE ACKNOWLEDGING THAT THERE'S  
21 AN ISSUE HERE. THE APPLICANT OR THE COMPANY HAS  
22 BASICALLY ACKNOWLEDGED THAT THEY'RE WORKING TO CORRECT  
23 IT. AND THAT WAY AS MORE OF AN ENFORCEMENT ISSUE.  
24 IT'S NOT SO MUCH THAT WE'RE GOING BEYOND THE SCHEME OF  
25 OUR REGULATIONS.





1 BOARD MEMBER JONES: CAN I ASK A QUESTION, MR.  
2 CHAIRMAN?  
3 CHAIRMAN PENNINGTON: SURE. GO AHEAD.  
4 BOARD MEMBER JONES: A NOTICE AND ORDER THAT  
5 IS IN VIOLATION. YOU ARE SAYING THERE'S A VIOLATION.  
6 YOU KNOW, I MEAN THE LAW HAS BEEN WRITTEN, UNDERSTOOD.  
7 THIS CAME UP A YEAR AGO. I THINK CHUCK'S RIGHT WHEN  
8 YOU SAY IT TOOK THREE OR FOUR YEARS TO WRITE THE LAW.  
9 AND IT TOOK A LONG TIME TO DO.  
10 THE OTHER THING THAT I THINK -- WHEN I  
11 ASKED ABOUT THIS LETTER, AND THE LETTER WAS INTERPRETED  
12 BY STAFF AS BEING THAT THE INSURANCE -- DEPARTMENT OF  
13 INSURANCE DIDN'T HAVE ANY PROBLEM WITH THEM TO CONTINUE  
14 TO VIOLATE THE LAW, I READ IT DIFFERENTLY. I DON'T  
15 KNOW WHY. MAYBE IT'S -- BUT I READ IT AS ONE PARAGRAPH  
16 SAYING AS A RESULT OF OUR ONGOING DISCUSSIONS WITH WMX  
17 AND THE DEPARTMENT OF INSURANCE, THE DEPARTMENT OF  
18 INSURANCE HAS NO OBJECTION TO THE CONSIDERATION BY THE  
19 INTEGRATED WASTE MANAGEMENT BOARD OF THE REQUEST BY WMX  
20 TO TEMPORARILY PERMIT IT, THE CONTINUED USE OF NGIC TO  
21 MEET WMX'S CLOSURE-POSTCLOSURE OPERATION. WE HOPE TO  
22 PROCEED WITH THIS MATTER AS QUICKLY AS POSSIBLE, BUT  
23 DUE TO THE FACT THAT WMX HAS UTILIZED NGIC FOR SOME  
24 TIME WITHOUT A PROBLEM BOTH HERE IN THIS STATE AND IN  
25 OTHER STATES, FROM OUR PERSPECTIVE, THE INSURANCE



1 COMMISSION, DOESN'T APPEAR UNREASONABLE FOR WMX TO  
2 CONTINUE TO USE THIS VEHICLE DURING OUR INVESTIGATION.  
3 I READ THAT CLEARLY DIFFERENT THAN WE  
4 READ IT AS YOU'RE BREAKING OUR LAW, YOU'RE BREAKING OUR  
5 RULES BECAUSE THIS IS AN ONGOING MECHANISM THAT'S BEEN  
6 USED IN THIS STATE SINCE, WHAT, 197- -- I DON'T KNOW  
7 WHEN THEY STARTED BUYING LANDFILLS, BUT PROBABLY 1980  
8 OR WHATEVER. AND IT STRIKES ME AS UNUSUAL THAT A  
9 NOTICE AND ORDER OR THOSE TYPES OF THINGS -- I MEAN  
10 NOTICE AND ORDER TO ME SAYS, WASTE MANAGEMENT, YOU  
11]. VIOLATED THE LAW, AND YOU'VE DONE THAT, AND THAT'S  
12 TECHNICALLY RIGHT, BUT I MEAN -- WELL, IT'S TECHNICALLY  
13 RIGHT BECAUSE THESE REGULATIONS TOOK THREE YEARS AND  
14 TOOK A JOINT MEETING BETWEEN THIS BOARD AND THE WATER  
15 BOARD TO GIVE AWAY ALL OF OUR OBLIGATIONS. I MEAN ALL  
16 OF OUR RESPONSIBILITIES WE EFFECTIVELY GAVE AWAY. SO  
17 NOW WE HAVE A COUPLE LEFT, AND, YOU KNOW, TO ME IT IS  
18 INSANE THAT A COMPANY -- YOU KNOW, I DON'T KNOW THAT  
19 THEY'RE GOING ANYWHERE. I COMPETED AGAINST THEM FOR 25  
20 YEARS. I'M KIND OF SURPRISED THAT I'M FIGHTING THIS  
21 HARD FOR THIS, BUT IT JUST SEEMS FAIR. IT JUST  
22 SEEMS --

23 MR. WHITE: NEEDLESS TO SAY, WE ARE NOT  
24 EXCITED ABOUT A NOTICE AND ORDER, AND WE HOPE THAT  
25 WOULD NOT BE THE OPTION THE BOARD CHOSE. UNDER B AND



1 C, WHICH SAYS WE WILL CONTINUE TO USE A SURPLUS LINES  
2 BROKER CURRENTLY LICENSED IN CALIFORNIA. UNDER B, IF  
3 YOU CAN VIEW THE LETTER AS INDICATION BY THE DEPARTMENT  
4 OF INSURANCE THAT AT LEAST ON A TEMPORARY BASIS THAT  
5 WE'RE ELIGIBLE TO USE THIS AS AN EXCESS AND SURPLUS  
6 LINES CARRIER. WE BELIEVE THAT, IN ACCORDANCE WITH  
7 WHAT YOU ARE SAYING, MR. JONES, IS REALLY WHAT THE  
8 DEPARTMENT OF INSURANCE IS SAYING. ON AN INTERIM BASIS  
9 IT'S OKAY, AND WE WILL CONTINUE TO USE A LICENSED  
10 BROKER TO PLACE THAT INSURANCE.  
11 SO I MEAN WE WOULD HOPE THAT THIS IS  
12 VIEWED AS AN INTERIM ELIGIBILITY INDICATION BY THE  
13 DEPARTMENT OF INSURANCE, AND YOU WOULD VIEW THAT AS  
14 SUCH DURING THIS INTERIM PERIOD, JUST A VERY SHORT TIME  
15 FRAME.

16 CHAIRMAN PENNINGTON: MR. RELIS, WE HAVE A  
17 MOTION.

18 BOARD MEMBER RELIS: MS. GOTCH, YOU HAD  
19 MENTIONED THAT -- YOU HAD POINTED OUT NO. 3 AS  
20 ESSENTIALLY CAPTURING WHAT I WAS TRYING TO DO, AND I  
21 I'LL BE HAPPY TO MOVE NO. 3.

22 BOARD MEMBER GOTCH: ARE YOU INCLUDING THE  
23 NOTICE AND ORDER --

24 BOARD MEMBER RELIS: NO.

25 BOARD MEMBER GOTCH: -- IN YOUR MOTION?



1 LET ME ASK ONE OTHER QUESTION, AND THAT

2 IS THAT THERE'S NOT A RESOLUTION FOR THIS ITEM. THAT'S

3 OKAY?

4 CHAIRMAN PENNINGTON: SO WE HAVE A MOTION TO

5 ACCEPT --

6 BOARD MEMBER RELIS: STAFF WOULD PREPARE A

7 RESOLUTION.

8 CHAIRMAN PENNINGTON: WE HAVE A MOTION TO

9 ACCEPT STAFF'S OPTION NO. 3.

10 BOARD MEMBER RELIS: OPTION NO. 3.

11 CHAIRMAN PENNINGTON: IT'S BEEN SECONDED. IF

12 THERE'S ANY FURTHER DISCUSSION. I DON'T HEAR ANY.

13 WILL THE SECRETARY CALL THE ROLL, PLEASE.

14 THE SECRETARY: BOARD MEMBER CHESBRO. ABSENT.

15 FRAZEE.

16 BOARD MEMBER FRAZEE: AYE.

17 THE SECRETARY: GOTCH.

18 BOARD MEMBER GOTCH: AYE.

19 THE SECRETARY: JONES.

20 BOARD MEMBER JONES: AYE.

21 THE SECRETARY: RELIS.

22 BOARD MEMBER RELIS: AYE.

23 THE SECRETARY: CHAIRMAN PENNINGTON.

24 CHAIRMAN PENNINGTON: AYE. MOTION CARRIES.

25 OKAY. WE'RE GOING TO MOVE ON HERE TO ITEM 21.



1 (RECESS TAKEN.)

2 CHAIRMAN PENNINGTON: THERE'S A LOT OF PEOPLE  
3 HERE FROM CARPENTERIA THAT WANT TO ADDRESS, SO I'M  
4 GOING TO MOVE -- CUPERTINO. WHAT DID I SAY? IT'S  
5 MARTINI TIME. HOW DO YOU EXPECT ME TO --  
6 SO LET'S MOVE ON TO ITEM 22 SO WE CAN GET  
7 THEM THROUGH HERE. CONSIDERATION OF A BOARD POLICY ON  
8 THE USE OF WASTE TIRES AS A FUEL SUPPLEMENT AT COAL-  
9 FIRED GENERATION PLANTS AND CEMENT KILNS.  
10 I ALSO WOULD LIKE TO ASK THAT YOU -- I  
11 HOPE YOU HAVE ALL READ THE NEWEST RESOLUTION. AND I  
12 WOULD HOPE THAT WE -- YOU KNOW, I KNOW YOU GUYS WANT TO  
13 GET GOING AND WE DO TOO. SO LET'S TRY NOT TO BE TOO  
14 REPETITIOUS AND DO IT AS QUICKLY AS WE CAN. I  
15 APPRECIATE YOU BEING HERE ALL DAY AND LISTENING TO WHAT  
16 WE GO THROUGH ALL DAY LONG, AND YOU WILL UNDERSTAND AND  
17 APPRECIATE US BETTER NOW TOO. SO MS. TRGOVCICH.

18 MS. TRGOVCICH: GOOD AFTERNOON, CHAIRMAN  
19 PENNINGTON AND MEMBERS. CAREN TRGOVCICH, DEPUTY  
20 DIRECTOR OF THE WASTE MANAGEMENT AND MARKET DEVELOPMENT  
21 DIVISION. WITH ME ON THIS PRESENTATION IS MARTHA  
22 GILDART, BRANCH MANAGER IN THE DIVISION AS WELL.  
23 I'M GOING TO PROVIDE SOME VERY BRIEF  
24 BACKGROUND AND THE BOARD'S ROLE, AND MARTHA WILL BE  
25 MOVING INTO THE BASIS OR THE BACKGROUND BEHIND THE



1 PROPOSED POLICY AND SOME OF THE REPORTS THAT HAVE BEEN  
2 THE SUBJECT OF MANY LETTERS, PHONE CALLS, AND MEETINGS  
3 OVER THE LAST SEVERAL MONTHS.  
4 VERY BRIEFLY, ONCE AGAIN, THE PURPOSE OF  
5 THIS ITEM WAS TO BRING FORWARD FOR THE BOARD'S  
6 CONSIDERATION A REAFFIRMATION OF THE POLICY ADOPTED BY  
7 THE BOARD BACK IN 1992-93 AS IT RELATED TO THE 1992  
8 FEASIBILITY STUDY ON TIRES AS A FUEL SUPPLEMENT. IF  
9 YOU WILL REMEMBER, THAT REPORT LOOKED NOT ONLY AT TIRES  
10 AS A FUEL SUPPLEMENT, BUT LOOKED AT ALL MARKET OPTIONS.  
11 AND THAT BECAME THE BASIS OF A BOARD POLICY TO  
12 UNDERTAKE OUR TIRE MARKET DEVELOPMENT PROGRAM.  
13 THE BOARD RECOGNIZED, HOWEVER, THAT IT  
14 NEEDED TO FOCUS ITS EFFORTS IN MORE OF THE DEVELOP-  
15 MENTAL ASPECTS OF MARKET DEVELOPMENT AS IT RELATED TO  
16 TIRES. AND MARTHA WILL BE SHOWING FOR YOU VERY SHORTLY  
17 SOME OF OUR EFFORTS AND HOW WE HAVE EXPENDED OUR  
18 RESOURCES, AS WELL AS THE TYPES OF PROGRAMS THAT WE'VE  
19 UNDERTAKEN TO FOCUS ON ALTERNATIVE MARKETS OTHER THAN  
20 TIRE-DERIVED FUEL.  
21 THE PURPOSE OF THE ITEM THAT CAME BEFORE  
22 THE POLICY, RESEARCH, AND TECHNICAL ASSISTANCE  
23 COMMITTEE LAST SEPTEMBER AND THEN BEFORE THE BOARD AT  
24 ITS GENERAL BUSINESS MEETING IN OCTOBER WAS TO BE ABLE  
25 TO REAFFIRM THAT '92 POLICY, THAT TIRE-DERIVED FUEL WAS



1 AS MUCH A PART OF THE MIX AS ALL THE OTHER ALTERNATIVE  
2 TIRE MANAGEMENT OPTIONS. OPTIONS SUCH AS CRUMB RUBBER  
3 PRODUCTION, SUCH AS MOLDED RUBBER PRODUCTS, SUCH AS  
4 CIVIL ENGINEERING OPTIONS, SUCH AS RUBBERIZED ASPHALT  
5 CONCRETE. AND THAT POLICY WAS SIMPLY TO ACKNOWLEDGE  
6 THAT TIRE-DERIVED FUEL DESERVED A PLACE WITHIN OUR  
7 PROGRAM MANAGEMENT STRUCTURE AS WELL.  
8 AS MR. JONES INDICATED, MEMBER JONES,  
9 WHEN HE PROVIDED HIS COMMITTEE REPORT THIS MORNING, HE  
10 ACKNOWLEDGED THAT THERE'S BEEN SOME CONFUSION OVER  
11 WHETHER OR NOT WE WERE INTENDING TO PROMOTE TIRE-  
12 DERIVED FUEL AS THE BEST OPTION. THAT WAS BY NO MEANS  
13 THE INTENT BEHIND EITHER THE SEPTEMBER ITEM OR THE  
14 OCTOBER ITEM, SO HE HAD OFFERED A REVISED MOTION, WHICH  
15 I THINK WE ALL GOT OR RESOLUTION AT THE BACK OF THE  
16 TABLE THIS MORNING.  
17 I THINK WHAT YOU WILL SEE IN THE STAFF  
18 PRESENTATION IS THAT THE ESSENCE OF THAT RESOLUTION, AS  
19 I READ IT, WILL BE REPRESENTED IN THE PRESENTATION,  
20 THAT WHAT WE'RE TALKING ABOUT IS A MIX OF OPTIONS. FOR  
21 EACH LOCAL JURISDICTION THAT MIX MAY LOOK DIFFERENT.  
22 FOR CERTAIN BUSINESSES, THAT MIX MAY LOOK DIFFERENT;  
23 BUT IN OUR ROLE AS PROMOTER OF MARKET DEVELOPMENT IN  
24 THE STATE, WE ARE WEARING THE HAT OF TRYING TO DEVELOP  
25 MARKETS, ALL TYPES OF APPROPRIATE MARKETS FOR TIRES.



1 YOU HEARD AN ITEM A SHORT TIME AGO  
2 LOOKING AT THE REVOCATION OF THE EXCLUSIONS AS IT  
3 RELATED TO WASTE TIRE FACILITIES OR STORAGE OF TIRES.  
4 IN THAT ITEM YOU HEARD SOME DISCUSSION OF RECYCLING  
5 OPTIONS. WEARING OUR PROMOTER HAT, THAT IS OUR ROLE  
6 AND PURPOSE. WE DO NOT CIRCUMVENT ANY OTHER LOCAL  
7 PERMITTING PROCESS, AND YOU WILL HEAR IT CLARIFIED  
8 LATER AS WELL, THAT THE BOARD'S ROLE AS A PROMOTER IS  
9 NOT INTENDED AT ALL TO REPLACE THE ROLE OF OTHER STATE  
10 REGULATORY AGENCIES, SPECIAL DISTRICT-TYPE REGULATORY  
11 AGENCIES, OR LOCAL AGENCIES IN TERMS OF THEIR OVERSIGHT  
12 ROLE.  
13 THE POLICY IS NOT AT ALL INTENDED AS IT  
14 WOULD RELATE EITHER TO RAC, TO CRUMB RUBBER PRODUCTS,  
15 OR ANY OTHER ALTERNATIVE USE TO REPLACE THAT LOCAL  
16 DECISION-MAKING AUTHORITY. IN THE CASE OF TIRE-DERIVED  
17 FUEL, IT IS THE LOCAL AIR POLLUTION CONTROL DISTRICTS  
18 THAT HAVE A SIGNIFICANT AMOUNT OF OVERSIGHT, AND IT IS  
19 NOT THE INTENT OF STAFF IN PROPOSING THE POLICY THAT  
20 THAT OVERSIGHT WOULD AT ALL BE IMPEDED OR THAT WE WOULD  
21 BE INTERFERING OR SOMEHOW AFFECTING THAT LOCAL ROLE AT  
22 ALL.  
23 AT THIS POINT I'M GOING TO TURN THE  
24 PRESENTATION OVER TO MARTHA, WHO'S GOING TO GO THROUGH  
25 PRIOR BOARD PROGRAMS AND TALK VERY BRIEFLY ABOUT WHAT





1 WE FOUND IN OUR RECENT AND PRIOR DISCUSSIONS AS FAR AS  
2 THIS ACTION IS CONCERNED. ONCE MARTHA CONCLUDES, I  
3 WILL THEN SUMMARIZE THE ACTION THAT THE BOARD DIRECTED  
4 US TO UNDERTAKE AT THE OCTOBER MEETING, WHICH WAS TO  
5 DIRECT THE REPORTS UNDER DISCUSSION AT THAT TIME TO THE  
6 CALIFORNIA AIR RESOURCES BOARD FOR FURTHER REVIEW.  
7 LYNN BAKER OF THE CALIFORNIA AIR  
8 RESOURCES BOARD IS HERE IN THE AUDIENCE TODAY, AND HE  
9 WILL BE PROVIDING COMMENTS AS WELL ON THE SCOPE OF  
10 THEIR REVIEW.

11 MS. GILDART: GOOD EVENING, CHAIRMAN AND  
12 MEMBERS. IF I HAVE A CHANCE HERE TO REMIND YOU OF SOME  
13 OF THE EFFORTS WE'VE GONE THROUGH EARLIER, THE BOARD'S  
14 FIRST ATTEMPT IN MANAGING THE TIRE DISPOSAL AND  
15 RECYCLING PROBLEM WAS TO IDENTIFY ALL POSSIBLE USES FOR  
16 WASTE TIRES AND TO QUANTIFY THE EXTENT OF THE PROBLEM;  
17 I.E., HOW MANY TIRES ARE GENERATED ANNUALLY, HOW MANY  
18 TIRES EXIST IN STOCKPILES AROUND THE STATE.  
19 AS PART OF THAT EFFORT, THE LEGISLATURE  
20 DIRECTED US TO WRITE A REPORT INVESTIGATING THE USE OF  
21 TIRES AS A FUEL SUPPLEMENT. THAT WAS SPECIFIED IN THE  
22 STATUTE. WE EXPANDED THAT REPORT TO INCLUDE ALL KNOWN  
23 USES OF TIRES TO LOOK AT WHAT YOU COULD DO WITH CHOPPED  
24 TIRES OR SHREDDED TIRES OR SLICED TIRES OR WHOLE TIRES  
25 OR DICED TIRES AND LOOKED AT A HOST OF PRODUCTS AND



1 GAVE ESTIMATES ON WHAT WE THOUGHT THOSE LIKELY USES  
2 COULD CONSUME.  
3 OUT OF THAT EFFORT WE CAME TO THE  
4 CONCLUSION, AND IT WAS PUBLISHED IN THE '92 REPORT,  
5 THAT FUEL USE REPRESENTED THE LARGEST POTENTIAL USER OF  
6 TIRES, BUT THAT IT WAS NOT THE ONLY USER. THE BOARD  
7 DIRECTED STAFF TO IMPLEMENT ITS TIRE RECYCLING PROGRAM  
8 FOLLOWING THE AB 939 HIERARCHY OF REDUCE, REUSE,  
9 RECYCLE, AND THEN TRANSFORM OR DISPOSE.  
10 50 THE EARLY EFFORTS OF THE BOARD'S TIRE  
11 RECYCLING GRANT PROGRAM WERE FOCUSED ON PRODUCT  
12 DEVELOPMENT, ON BUSINESS DEVELOPMENT, ON MARKET  
13 DEVELOPMENT, AND TO SOME EXTENT ASSISTING LOCAL  
14 GOVERNMENTS WITH CLEANUP OF TIRE PILES AND TIRE LITTER.  
15 WHAT I'LL SHOW YOU IS SOME OF THE  
16 EXPENDITURES AND EFFORTS THE BOARD HAS GONE THROUGH.  
17 THIS GRAPH SHOWS THE CHANGE IN TIRE USE BETWEEN 1990  
18 AND 1995. READING BACK INTO THE GRAPH, IT'S SORT OF A  
19 THREE-DIMENSIONAL ONE, THIS IS THE 1990 RECYCLING  
20 LEVELS AND THIS IS THE 1995 LEVELS. IF YOU WILL  
21 NOTICE, THE CENTER GRAPH REPRESENTS THE USE OF RECYCLED  
22 TIRES. WE HAVE REUSED, THOSE ARE TIRES THAT CAN BE  
23 REUSED AS IS DUE TO A SUFFICIENT TREAD DEPTH, EXPORTED.  
24 THIS IS RETREADED. YOU CAN SEE THOSE ARE ALL FAIRLY  
25 LEVEL.



1 THERE'S BEEN AN INCREASE IN THE NUMBER  
2 OF TIRES RECYCLED. THAT INCLUDES CRUMB AND RUBBERIZED  
3 ASPHALT CONCRETE FROM 600,000 IN 1990 TO 1.8 MILLION IN  
4 1995. AT THE SAME TIME, IF YOU NOTICE THE LAST TWO  
5 BARS, THAT REPRESENTS ENERGY PRODUCTION AT THE MELP  
6 FACILITY AND THEN THE FUEL SUPPLEMENT USE AT VARIOUS  
7 COAL-FIRED FACILITIES. THOSE USES HAVE INCREASED FROM  
8 4 MILLION IN 1990 TO 10.8 MILLION TIRES IN 1995. KEEP  
9 THIS IN PERSPECTIVE, WE GENERATE 30 MILLION WASTE TIRES  
10 EVERY YEAR.  
11 THIS TABLE SHOWS THE AMOUNT OF MONEY  
12 SPENT BY THE BOARD ON VARIOUS ACTIVITIES OVER THE LAST  
13 SEVERAL YEARS. AT THE HEAD OF THE CLASS, WE'VE SPENT  
14 OVER \$7 MILLION IN A COMBINATION OF GRANTS AND  
15 CONTRACTS TO CLEAN UP TIRE PILES AND FOR OTHER  
16 ENFORCEMENT ACTIVITIES, SUCH AS HAULER REGISTRATION AND  
17 EDUCATION.  
18 WE'VE SPENT ALMOST \$3 MILLION TO SUPPORT  
19 THE DEVELOPMENT OF RUBBERIZED ASPHALT CONCRETE, WHICH  
20 IS A PRODUCT THAT USES THE CRUMB RUBBER YOU HEARD  
21 DISCUSSED SO MUCH IN EARLIER ITEMS. WE HAVE SPENT  
22 ALMOST \$2 MILLION IN OTHER CRUMB RUBBER PRODUCTS. SO  
23 IF YOU ADD THOSE TWO TOGETHER, YOU GET THE TOTAL  
24 SUPPORT THIS BOARD HAS PROVIDED FOR CRUMB RUBBER.  
25 WE'VE SPENT THAT ONE AND A HALF, 1.6



1 MILLION FOR OTHER PRODUCTS. THESE ARE WHOLE TIRE  
2 PRODUCTS, SOUND WALLS, ADC, CHOPPED TIRES. AND THEN  
3 1.2 MILLION FOR CIVIL ENGINEERING EFFORTS. THAT  
4 TYPICALLY USES A WHOLE TIRE, SUCH AS THE HUMBOLDT  
5 COUNTY EFFORT THAT THEY MADE A PRESENTATION, GAINER AND  
6 ASSOCIATES -- COULDN'T THINK OF THEIR NAME -- MADE A  
7 PRESENTATION A MONTH OR SO AGO ON THE ROAD  
8 REINFORCEMENT THAT THEY HAD DONE USING BALED TIRES IN A  
9 GAVION STRUCTURE. AND THEN WE HAVE SPENT A TOTAL OF  
10 \$485,000 TO SUPPORT THE USE OF TIRES AS A FUEL, WITH AN  
11 ADDITIONAL \$420,000 FOR VARIOUS WORKSHOPS AND  
12 CONFERENCES PROMOTING VARIOUS RECYCLING METHODS.  
13 TO SHOW THE SAME THING GRAPHICALLY, THESE  
14 HAVE BEEN THE BOARD'S EXPENDITURES, A SLIGHTLY NARROWED  
15 NUMBER OF TOPICS, BUT AS YOU CAN SEE, FUEL SUPPLEMENT  
16 HAS BEEN FAR LESS THAN SOMETHING LIKE RUBBERIZED  
17 ASPHALT CONCRETE. IN COMPARISON, THIS IS THE ESTIMATE  
18 OF THE POTENTIAL ANNUAL USE OF TIRES BY THOSE SAME  
19 CATEGORIES. THE FUEL SUPPLEMENT IS THE ONLY ONE THAT  
20 MIGHT BE ABLE TO HANDLE THE ANNUAL GENERATION.  
21 WE ARE NOT RECOMMENDING THAT WE USE FUEL  
22 SUPPLEMENT ONLY. WE CONTINUE TO SUPPORT THESE OTHER  
23 PRODUCTS; BUT AS YOU CAN SEE, THEY ARE A SIGNIFICANT  
24 CONTRIBUTOR.  
25 IN THE '92 FUELS REPORT, THE BOARD HAD



1 DIRECTED THAT WE WOULD PROVIDE SOME SUPPORT TO THOSE  
2 INDUSTRIES THAT CAN USE TIRES AS A FUEL SUPPLEMENT. A  
3 YEAR AGO WE AWARDED A CONTRACT TO DAMES & MOORE, AS THE  
4 LOW BIDDER, TO LOOK AT EMISSIONS FROM FACILITIES USING  
5 TIRE-DERIVED FUEL. THE PURPOSE OF THE STUDY WAS  
6 MULTIPURPOSE. IT WAS TO GATHER DATA BOTH WITHIN  
7 CALIFORNIA AND ACROSS THE UNITED STATES ON THE  
8 EMISSIONS OF CRITERIA POLLUTANTS AND ON TOXIC AIR  
9 CONTAMINANTS, AS WELL AS THE CHARACTERISTICS OF ASH AND  
10 OTHER RESIDUE.  
11 THE FOCUS OF THE REPORT WAS ON FACILITIES  
12 THAT USED TIRES AS A FUEL SUPPLEMENT, BUT WE INCLUDED  
13 THE COLLECTION OF DATA FROM FACILITIES THAT USED TIRES  
14 AS THEIR ONLY FUEL ALSO TO GIVE US THE WIDEST RANGE  
15 DATABASE THAT WE COULD HAVE FOR WHATEVER PROJECTS WE  
16 NEEDED TO LOOK AT IN THE FUTURE. THE SOURCE, AND THIS  
17 IS A VERY IMPORTANT POINT, THE SOURCE OF THE DATA FOR  
18 THE DAMES & MOORE REPORT IS FROM LOCAL PERMIT ACTIONS.  
19 THESE WERE THE COMPLIANCE TESTS, THE SOURCE TESTS  
20 REQUIRED BY THE VARIOUS LOCAL DISTRICTS TO DETERMINE  
21 WHETHER OR NOT THESE FACILITIES SHOULD BE GRANTED A  
22 PERMIT TO BURN TIRES.  
23 WHAT THE REPORT IS NOT, IT IS NOT  
24 INTENDED TO CRITIQUE THE LOCAL PERMIT PROCESS, BUT TO  
25 USE THE DATA AS THEY WERE APPROVED BY THE LOCAL



1 AUTHORITY. IT IS NOT A MASS BALANCE, ATTEMPTING TO  
2 CORRELATE THE AMOUNT OF TIRE FEEDSTOCK TO THE ACTUAL  
3 EMISSIONS OR ASH OUTPUT. AND IT IS NOT A HEALTH RISK  
4 ASSESSMENT TO DETERMINE THE RISK OF ANY INDIVIDUAL  
5 FACILITY, BUT MERELY A COMPARISON OF DATA AND A TRENDS  
6 ANALYSIS.  
7 DAMES & MOORE WERE ABLE TO COLLECT DATA  
8 FROM 28 FACILITIES. THERE WERE 11 OF THESE IN  
9 CALIFORNIA, 17 ELSEWHERE IN THE U.S. SOME OF THESE  
10 FACILITIES HAD EITHER MULTIPLE TESTS AT THE FACILITY  
11 OVER A NUMBER OF YEARS OR MULTIPLE SITES WITHIN THE  
12 FACILITY, SO THE ACTUAL TEST DATA SET FOR ANY GIVEN  
13 POLLUTANT VARIES FROM POLLUTANT TO POLLUTANT DEPENDING  
14 UPON WHAT WAS TESTED. I'M GOING TO SHOW YOU RATHER  
15 BRIEFLY, JUST AS AN ILLUSTRATION, SOME OF THE RESULTS  
16 OF THOSE DATA STUDIES.  
17 THIS IS A GRAPHICAL DEPICTION OF THE  
18 DELTA, THE DIFFERENCE BETWEEN A FACILITY USING TIRES AS  
19 A SUPPLEMENT AND NOT. IN THIS CASE IT IS FOR SULFUR  
20 DIOXIDE, WHICH IS ONE OF THE CRITERIA POLLUTANTS FOR  
21 WHICH THERE ARE NATIONAL AMBIENT AIR QUALITY STANDARDS  
22 SET BY THE FEDERAL GOVERNMENT. THEY ARE HEALTH  
23 PROTECTED STANDARDS ON EMISSIONS SELECTED BECAUSE OF  
24 THE QUANTITIES EMITTED, SO THEY NEED TO BE CONTROLLED  
25 FROM ALL SOURCES.



1 AS YOU WILL SEE, THE VAST MAJORITY OF THE  
2 FACILITIES IN THIS DATA SET HAD A REDUCTION BETWEEN  
3 THEIR BASELINE ON COAL OR WHATEVER FUEL ONLY AND WHEN  
4 THEY USED TIRES.  
5 THIS IS THE SAME GRAPH FOR OXIDES OF  
6 NITROGEN; AND ONCE AGAIN, IF YOU NOTICE, THERE IS A  
7 SIGNIFICANT REDUCTION FOR A LARGE NUMBER OF  
8 FACILITIES. THERE ARE SOME FACILITIES WHICH SHOW AN  
9 INCREASE.  
10 IT IS DATA LIKE THAT THAT HAS LED THE  
11 SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT TO  
12 DETERMINE THAT THE USE OF TIRES IN A CEMENT KILN IS  
13 INDEED A CONTROL MECHANISM FOR NOX, AND THEY ADVOCATE  
14 IT AS SUCH FOR CEMENT KILNS IN THE BASIN.  
15 THIS SHOWS CARBON MONOXIDE. AND AS YOU  
16 WILL NOTICE, THERE ARE MORE FACILITIES EXPERIENCING AN  
17 INCREASE IN EMISSIONS OF CARBON MONOXIDE WHEN USING  
18 TIRES THAN WHEN NOT. THIS IS NOT A SURPRISE. THERE IS  
19 A VERY STANDARD AIR POLLUTION EFFECT BETWEEN A  
20 TRADE-OFF OF NOX AND CARBON MONOXIDE BECAUSE IT IS  
21 DETERMINED UPON THE TEMPERATURE AND COMBUSTION  
22 CHARACTERISTICS OF THE FUEL. AS YOU CONTROL FOR ONE,  
23 YOU INCREASE THE OTHER.  
24 THE NEXT TWO GRAPHS ARE INTERESTING. THIS  
25 SHOWS PARTICULATE MATTER; THAT IS, ANYTHING THAT YOU



1 GET ON THE FILTER CATCH OF YOUR TRAIN WHEN YOU ARE  
2 TAKING THE EMISSIONS, AND IT SHOWS SIGNIFICANT  
3 INCREASES IN PARTICULATE MATTER. HOWEVER, THIS SHOWS  
4 WHAT HAPPENS TO THE SUBMICRON 10 PARTICULATE MATTER;  
5 THAT IS, THE INHALABLE OR RESPIRABLE PARTICLES, THE  
6 ONES THAT ARE OF CONCERN BECAUSE THEY CAN GET DEEPER  
7 INTO YOUR LUNGS. THERE IS A SIGNIFICANT DECREASE FOR  
8 THOSE FACILITIES THAT MEASURED PM-10. I ADMIT THIS  
9 DATA SET IS A MUCH SMALLER ONE. IT'S A LITTLE BIT  
10 HARDER TO MAKE A STRONG CONCLUSION, BUT THERE IS  
11 INFORMATION HERE.  
12 TO GET INTO THE TOXIC AIR CONTAMINANT  
13 SIDE BRIEFLY, THERE'S A LONG LIST OF COMPOUNDS THAT ARE  
14 REGULATED AS TOXIC AIR CONTAMINANTS. UNDER AB 2580,  
15 THE HOT SPOTS BILL, IT REQUIRES FACILITIES TO DETERMINE  
16 WHETHER OR NOT THEY EMIT TOXIC AIR CONTAMINANTS; AND IF  
17 THEY FALL INTO ONE OF THESE CATEGORIES, THEY ARE  
18 REQUIRED BY THE LOCAL DISTRICT TO EITHER DEVELOP HEALTH  
19 RISK ASSESSMENTS TO MONITOR AMBIENT CONDITIONS  
20 DOWNWIND, NOTIFY THE PUBLIC, WHATEVER.  
21 WHAT WE LOOKED AT IN THE TOXIC AIR  
22 CONTAMINANT EVALUATION WAS WHETHER OR NOT THE  
23 FACILITIES WOULD CHANGE THEIR CLASSIFICATION UNDER THAT  
24 KIND OF A SCENARIO. AS YOU NOTICE HERE, EMISSIONS FOR  
25 LEAD, IT'S DIFFICULT TO MAKE ANY KIND OF REAL





1 DETERMINATION. SOME FACILITIES WENT UP, SOME WENT  
2 DOWN.  
3 IN THIS CASE THESE ARE EMISSIONS OF  
4 CADMIUM. OBVIOUSLY MORE FACILITIES HAD EXPERIENCED AN  
5 INCREASE.  
6 THIS IS A TESTING FOR DIOXIN. THAT'S  
7 POLYCHLORINATED DIBENZO P DIOXIN HERE AT THE TOP. THIS  
8 IS EXPRESSED IN TOXIC EQUIVALENTS. I WENT OVER THAT  
9 ONCE AT AN EARLIER MEETING, TRYING TO EXPLAIN HOW THE  
10 CALCULATIONS ARE MADE. FOR THOSE DATA -- FOR THOSE  
11 FACILITIES WHICH HAVE DATA, IT'S ONCE AGAIN DIFFICULT.  
12 WE HAD A VERY SIGNIFICANT DECREASE FOR ONE FACILITY, A  
13 COUPLE SMALL INCREASES IN OTHERS.  
14 THE LAST ONE THAT I'M SHOWING IS BENZENE,  
15 WHICH IS A VERY COMMON TOXIC AIR CONTAMINANT. IN FACT,  
16 MOST GAS STATIONS ARE RATHER RISKY PLACES TO VISIT IF  
17 YOU'VE EVER NOTICED THE SMELL OF GASOLINE. ONCE AGAIN,  
18 IT'S A DIFFICULT CONCLUSION TO DRAW HERE. THERE ARE  
19 INCREASES AND DECREASES.

20 MS. TRGOVCICH: MARTHA, COULD I JUST BRIEFLY  
21 INTERRUPT AND ASK YOU A QUESTION? WOULD IT BE THE CASE  
22 FOR ANY ONE OF THOSE INDIVIDUAL FACILITIES FOR WHICH AN  
23 INCREASE OR DECREASE WAS SHOWN THAT IF THAT FACILITY  
24 WERE LOCATED HERE IN CALIFORNIA AND PURSUING A PERMIT  
25 MODIFICATION OR SOME OTHER TYPE OF PERMIT ACTION, WOULD



1 THE LOCAL DISTRICT EVALUATE THE VALUES SPECIFIC TO THAT  
2 FACILITY AND MAKE A DETERMINATION ONLY ON THE EMISSIONS  
3 EMITTED FROM THAT SITE?

4 MS. GILDART: YES. THE PERMIT PROCESS IS A  
5 CASE-BY-CASE, SITE-BY-SITE PROCESS. THEY WOULD LOOK AT  
6 THOSE EMISSIONS, THEY WOULD LOOK AT WHAT THE INCREASES  
7 WERE, WHAT THE DECREASES WERE, DETERMINE WHETHER OR NOT  
8 THEY WERE SIGNIFICANT ENOUGH TO EVEN REQUIRE A HEALTH  
9 RISK ASSESSMENT BE PERFORMED. YOU DO NOT DO A HEALTH  
10 RISK ASSESSMENT IN ALL CASES AUTOMATICALLY.  
11 THAT'S WHY WITHIN THE AB 2588 AIR TOXICS  
12 HOT SPOTS LEGISLATION, THEY HAVE THREE SEPARATE  
13 CATEGORIES BECAUSE THE HEALTH RISK ASSESSMENT, A  
14 FLOW-BLOWN HEALTH RISK ASSESSMENT WHERE YOU DO AIR  
15 QUALITY MODELING TO DETERMINE THE POINT OF MAXIMUM  
16 GROUND LEVEL CONCENTRATION AND WHO THE MOST MAXIMUM  
17 EXPOSED INDIVIDUAL IS AND DETERMINE WHAT THAT EXPOSURE  
18 WOULD BE OVER 70 YEARS IS AN EXTREMELY LENGTHY MODELING  
19 AND CALCULATION PROCESS. YES, THE DISTRICT IS  
20 COMPLETELY ABLE TO DETERMINE WHETHER OR NOT A FACILITY  
21 NEEDS TO PERFORM THAT RISK ASSESSMENT.

22 BOARD MEMBER GOTCH: EXCUSE ME, IF I MAY. I  
23 APPRECIATE WHAT WE'RE HEARING NOW. I DON'T THINK THIS  
24 IS ANYTHING NEW TO ANY OF US AS BOARD MEMBERS, AND  
25 THERE ARE A LOT OF FOLKS THAT HAVE BEEN WAITING ALL



1 DAY.

2 MS. GILDART: ONE MORE MINUTE.

3 IN CONCLUSION, THE REPORT FOUND THAT

4 OVERALL ON A LARGE-SCALE THERE WERE NO STATISTICALLY

5 SIGNIFICANT DISCERNIBLE PATTERNS OF IMPACT. THAT MEANS

6 THEY COULD NOT TELL IF THE FACILITIES WERE BURNING

7 TIRES OR NOT IN THE AGGREGATE LOOKING AT ALL THE

8 FACILITIES.

9 CONCLUSIONS OF THE STAFF HAVE BEEN THAT

10 THAT MEANS IN MOST INSTANCES IT IS LIKELY TO BE SAFE.

11 IT MUST BE DETERMINED ON A CASE-BY-CASE BASIS, BUT THAT

12 THE BOARD CAN FEEL COMFORTABLE IN SAYING THAT THIS IS

13 ONE OF THE MARKET ALTERNATIVES FOR WASTE TIRES.

14 THE REPORT ALSO CONCLUDED THAT SOME

15 SPECIFIC COMPOUNDS DID DISPLAY A TREND. THERE SEEMED

16 TO BE A FAIRLY CONSISTENT INCREASE IN CARBON MONOXIDE

17 AND A FAIRLY CONSISTENT DECREASE IN OXIDES OF

18 NITROGEN. THEY FELT THAT THE DATA WERE ABLE TO SHOW

19 THAT A BAGHOUSE AS AN AIR POLLUTION CONTROL EQUIPMENT

20 CONTROLS METALS BETTER THAN AN ELECTROSTATIC

21 PRECIPITATOR. COINCIDENTALLY IN CALIFORNIA WE REQUIRE

22 BAGHOUSES.

23 AT THIS POINT, I'M GOING TO TURN IT OVER

24 TO CAREN TO DESCRIBE THE BOARD DIRECTION FROM LAST

25 MEETING THAT WAS DONE THEN.



1 MS. TRGOVCICH: AT ITS OCTOBER BOARD MEETING,  
2 BASED UPON SUBSTANTIAL TESTIMONY RECEIVED FROM  
3 INTERESTED PARTIES, AS WELL AS INTEREST ON THE PART OF  
4 THE BOARD MEMBERS THEMSELVES, STAFF WERE DIRECTED TO  
5 PROVIDE THE REPORTS THAT WERE UNDER CONSIDERATION AT  
6 THE TIME TO THE CALIFORNIA AIR RESOURCES BOARD FOR  
7 FURTHER REVIEW.

8 THE AIR RESOURCES BOARD HAS A STAFF THAT  
9 IS CERTAINLY VERY FAMILIAR WITH THESE ISSUES. THE AIR  
10 RESOURCES BOARD ALSO SERVES IN AN OVERSIGHT CAPACITY  
11 OVER ALL OF THE LOCAL AIR POLLUTION CONTROL DISTRICTS,  
12 SO THEY DO HAVE SPECIAL EXPERTISE IN THAT AREA.  
13 PERHAPS I CAN ASK LYNN BAKER TO COME  
14 FORWARD AS OPPOSED TO ME OR MARTHA SUMMARIZING WHAT THE  
15 AIR BOARD FOUND WHEN IT LOOKED AT THE REPORT. LET LYNN  
16 SUMMARIZE IT HIMSELF.

17 MR. BAKER: CHAIRMAN PENNINGTON, MEMBERS OF  
18 THE BOARD, MY NAME IS LYNN BAKER. I'M WITH THE  
19 STATIONARY SOURCE DIVISION OF THE AIR RESOURCES BOARD.  
20 I WAS ASKED TO ATTEND TODAY'S MEETING TO REITERATE OUR  
21 SUPPORT FOR YOUR PROPOSED POLICY FOR THE USE OF WASTE  
22 TIRES AS SUPPLEMENTAL FUEL. WE, OF COURSE, ALSO  
23 SUPPORT USE OF WASTE TIRES IN OTHER BENEFICIAL USES AS  
24 WELL.  
25 AS CAREN MENTIONED, AT YOUR OCTOBER BOARD



1 MEETING, WE WERE ASKED TO REVIEW A COUPLE OF REPORTS  
2 HAVING TO DO WITH EMISSIONS OF -- FROM THE USE OF TIRES  
3 AS SUPPLEMENTAL FUEL. WE HAVE REVIEWED THOSE REPORTS.  
4 AND IN THE LAST MONTH OUR BOARD CHAIRMAN, JOHN DUNLAP,  
5 SENT MR. PENNINGTON A MEMO SUMMARIZING OUR COMMENTS,  
6 AND I'LL SUMMARIZE THOSE FOR YOU.  
7 THE REPORT THAT MARTHA GILDART  
8 SUMMARIZED, PREPARED FOR YOUR AGENCY BY DAMES & MOORE  
9 THAT SUMMARIZED EMISSIONS FROM FACILITIES THAT HAVE  
10 USED TIRES AS SUPPLEMENTAL FUEL, WE REVIEWED THAT  
11 REPORT AND ANOTHER REPORT. AND THAT REPORT, THE DAMES  
12 & MOORE REPORT, WE CONCLUDE THAT WE AGREE OVERALL WITH  
13 THE CONCLUSIONS OF THAT REPORT, THAT WE DO NOT SEE A  
14 SUBSTANTIAL DIFFERENCE IN EMISSIONS OR HEALTH RISK WITH  
15 OR WITHOUT THE USE OF TIRES AS SUPPLEMENTAL FUEL.  
16 THEREFORE, WE ARE COMFORTABLE IN  
17 SUPPORTING YOUR PROPOSED POLICY WITH THE UNDERSTANDING  
18 THAT EACH FACILITY THAT WOULD USE -- OR THAT WOULD  
19 PROPOSE TO USE WASTE TIRES AS A SUPPLEMENTAL FUEL WOULD  
20 BE ASSESSED ON A SITE-SPECIFIC BASIS AND THAT THAT  
21 SITE-SPECIFIC ASSESSMENT WOULD ALLOW THEN THE  
22 EVALUATION OF BOTH THE DESIGN AND OPERATION OF EACH  
23 INDIVIDUAL FACILITY TO DETERMINE WHETHER OR NOT THAT  
24 FACILITY IS APPROPRIATE FOR THE USE OF WASTE TIRES AS  
25 SUPPLEMENTAL FUEL. AND WE WOULD EXPECT THAT THAT SITE



1 SPECIFIC ASSESSMENT WOULD BE CARRIED OUT BY THE  
2 PERMITTING AGENCY, THE LOCAL AIR POLLUTION CONTROL OR  
3 AIR QUALITY MANAGEMENT DISTRICTS; AND THAT IF THEY  
4 REQUEST, WE WOULD CERTAINLY PROVIDE ASSISTANCE AS WELL  
5 WITH REGARD TO REVIEW OF EMISSIONS OR ENGINEERING  
6 EVALUATION FROM THOSE FACILITIES. AND WE WOULD ALSO  
7 RECOMMEND THAT THE OFFICE OF ENVIRONMENTAL HEALTH  
8 HAZARD ASSESSMENT WITHIN CAL-EPA ALSO BE INVOLVED WITH  
9 REVIEW OF ANY SPECIFIC APPLICATIONS WITH REGARD TO  
10 POTENTIAL HEALTH RISK.

11 THAT CONCLUDES MY STATEMENT. I'D BE  
12 HAPPY TO ANSWER ANY QUESTIONS.

13 CHAIRMAN PENNINGTON: QUESTIONS? THAT'S  
14 FINE. THANK YOU.

15 MS. TRGOVCICH: THAT WAS THE ESSENCE OF THE  
16 STAFF PRESENTATION. IF YOU HAVE ANY QUESTIONS, WE'D BE  
17 HAPPY TO ANSWER THEM.

18 CHAIRMAN PENNINGTON: ANY QUESTIONS OF STAFF?  
19 IF NOT, WE'LL START WITH THE PUBLIC TESTIMONY. BONNIE  
20 HOLMES-GEN, IS IT?

21 MS. HOLMES-GEN: MAKE SURE MY NOTES SHOW UP ON  
22 YOUR SCREEN. I THINK THAT HAPPENED TO ME LAST TIME.

23 I'M BONNIE HOLMES-GEN WITH SIERRA CLUB  
24 CALIFORNIA, AND I APPRECIATE THE OPPORTUNITY TO SPEAK.  
25 WE FIRST WANT TO POINT OUT THAT WE



1 APPRECIATE THE VERY SIGNIFICANT CHANGES THAT HAVE BEEN  
2 MADE IN THE LANGUAGE OF THE RESOLUTION THAT WERE MADE,  
3 AS FAR AS I KNOW, IN THE LAST COUPLE OF DAYS TO THAT  
4 RESOLUTION. AND DESPITE THOSE CHANGES, WE STILL SEE  
5 SOME PROBLEMS THAT WE THINK YOU CAN ADDRESS BEST, AND  
6 THAT PROBABLY WOULD BE ADDRESSED BY PUTTING THIS  
7 RESOLUTION OVER ONE MORE TIME TO KEEP WORKING ON IT.  
8 AND, YOU KNOW, I KNOW THAT'S PROBABLY NOT WHAT YOU WANT  
9 TO HEAR, BUT I DO THINK THERE'S SOME SIGNIFICANT  
10 PROBLEMS THAT NEED TO BE ADDRESSED.  
11 FIRST OF ALL, IT'S DIFFICULT TO KNOW  
12 EXACTLY WHAT THE CHANGES IN THE RESOLUTION MEAN BECAUSE  
13 THERE HASN'T BEEN ANY CHANGES IN THE STAFF REPORT THAT  
14 WAS ISSUED AND WAS PUT OUT ON THE TABLE AT THE BACK  
15 TODAY. AND THE STAFF REPORT LISTED A NUMBER OF  
16 SPECIFIC ITEMS THAT THE BOARD WOULD PURSUE:  
17 DEVELOPMENT AND DISSEMINATION OF A SUPPORT DOCUMENT,  
18 THE PUBLIC EDUCATION WORKSHOPS, AND THE PERMIT  
19 CONSOLIDATION PILOT PROJECT. AND ALL OF THESE ITEMS  
20 STILL SEEM TO BE GEARED TOWARD MORE OF AN ADVOCACY ROLE  
21 FOR THE BOARD AND PROMOTING THE USE OF TIRE-DERIVED  
22 FUEL IN CEMENT KILNS AND OTHER FACILITIES.  
23 SO WE HAVE OBVIOUSLY A GREAT CONCERN  
24 ABOUT IF THIS IS THE INTENT, THAT THE BOARD IS GOING TO  
25 CONTINUE TO PURSUE THIS COURSE OF ACTION, THEN THERE'S



1 NOT REALLY A CHANGE AS A RESULT OF THE RESOLUTION. SO  
2 THAT'S A QUESTION AND A COMMENT.  
3 AND THAT LEADS TO THE QUESTION OF WHAT IS  
4 TECHNICAL SUPPORT? IN THE RESOLUTION IT SAYS BE IT  
5 RESOLVED THE BOARD DIRECTS THE STAFF TO PROVIDE  
6 TECHNICAL SUPPORT WHEN REQUESTED. IS THAT WHAT'S  
7 CONSIDERED A TECHNICAL REPORT, OR IS THERE GOING TO BE  
8 A NEW DEFINITION OF WHAT TECHNICAL SUPPORT WOULD MEAN?  
9 YOU KNOW, CERTAINLY THE BOARD CAN AND DOES PROVIDE  
10 TECHNICAL SUPPORT NOW TO VARIOUS PROJECTS, AND YOU'VE  
11 LISTED A NUMBER OF TIRE RECYCLING PROJECTS WHERE, I'M  
12 SURE, THE BOARD HAS PROVIDED A LOT OF TECHNICAL  
13 ASSISTANCE. SO WE'RE WONDERING WHAT IS THE NEED FOR A  
14 RESOLUTION THAT SPECIFICALLY SAYS YOU CAN PROVIDE  
15 TECHNICAL ASSISTANCE AND WHAT IS THAT TECHNICAL  
16 ASSISTANCE?  
17 YOU KNOW, ANOTHER COUPLE OF PROBLEMS  
18 HERE. WE APPRECIATE THAT THE BOARD HAS TAKEN SOME REAL  
19 TOUGH STANDS TODAY REGARDING THE ENFORCEMENT OF AB 939  
20 MANDATES, AND SO WE KNOW THE BOARD IS COMMITTED TO  
21 PROMOTING RECYCLING AS OPPOSED, HOPEFULLY, AS OPPOSED  
22 TO BURNING. AND WE THINK THAT THERE'S A LOT MORE  
23 INFORMATION THAT NEEDS TO BE COLLECTED ON THE USE OF  
24 TIRES IN CEMENT KILNS AND OTHER FACILITIES.  
25 I THINK THAT YOU'VE PRESENTED SOME





1 INFORMATION FROM THE DAMES & MOORE REPORT. YOU  
2 PRESENTED INFORMATION FROM ANOTHER REPORT, BUT NEITHER  
3 OF THOSE REPORTS HAVE HAD EXTENSIVE PEER REVIEW. I  
4 APPRECIATE YOU SENT THEM TO THE ARB AND THERE'S BEEN  
5 SOME ANALYSIS, BUT WE BELIEVE THAT THOSE REPORTS NEED  
6 TO BE REVIEWED BY A MUCH WIDER CIRCLE OF EXPERTS AND  
7 EXPERTS OUTSIDE THE STATE OF CALIFORNIA AT THE NATIONAL  
8 LEVEL AND THAT THE COMMUNITIES AROUND THE CEMENT KILNS  
9 SHOULD BE INVOLVED IN HELPING TO SELECT SOME OF THOSE  
10 EXPERTS THAT SHOULD REVIEW THESE REPORTS.  
11 SO WE DO BELIEVE THAT THERE IS  
12 CONFLICTING DATA TO THE DATA THAT THE BOARD HAS  
13 PRESENTED TODAY. THERE'S DATA FROM OTHER STUDIES THAT  
14 DO SHOW SIGNIFICANT INCREASES IN MANY OF THE TOXIC  
15 CONTAMINANTS DURING TEST FIRES OF CEMENT KILNS USING  
16 TIRE-DERIVED FUEL. AND WE CAN'T IGNORE THAT  
17 INFORMATION. THERE NEEDS TO BE A CLEAR, COMPREHENSIVE  
18 REVIEW OF ALL THAT INFORMATION AND NOT JUST SELECTIVE  
19 REPORTS.  
20 SO AT A MINIMUM WE BELIEVE THAT THE  
21 RESOLUTION SHOULD BE CHANGED AND DELAYED, AND ONE WAY  
22 TO CHANGE THE RESOLUTION WOULD BE TO REQUIRE IN THE  
23 RESOLUTION THAT THE BOARD WORK WITH OTHER AGENCIES IN  
24 THE STATE TO REQUIRE ADDITIONAL TESTING OF THE HEALTH  
25 IMPACTS OF COMMUNITIES THAT ARE NEAR CEMENT KILNS, TO



1 REQUIRE AN INVESTIGATION OF OTHER TYPES OF EXPOSURE  
2 PATHWAYS BECAUSE THERE IS A PROBLEM WITH INDIRECT  
3 EXPOSURE ALSO, INDIRECT EXPOSURE PATHWAYS FOR  
4 CONTAMINANTS SUCH AS DIOXIN, WHICH ARE VERY PERSISTENT  
5 IN THE ENVIRONMENT. SO THERE'S DIRECT EXPOSURE THROUGH  
6 EMISSION INTO THE AIR, BUT THOSE EMISSIONS THEN CAN  
7 COLLECT IN THE GROUND, IN GROUNDWATER, AND IS OTHER  
8 PATHWAYS FOR EXPOSURE TO THOSE POLLUTANTS.  
9 AS FAR AS I KNOW, NONE OF THE REPORTS  
10 HAVE LOOKED AT THOSE INDIRECT EXPOSURE PATHWAYS. AND  
11 ANOTHER CONCERN IS THAT IN YOUR RESOLUTION YOU ARE  
12 LISTING THE 1992 FEASIBILITY STUDY AS ESSENTIALLY A  
13 BASIS FOR MOVING AHEAD AND RECOMMENDING ADDITIONAL  
14 BOARD INVOLVEMENT IN TIE-DERIVED FUEL PROJECTS. AND  
15 WE BELIEVE THAT THAT REPORT, YOU KNOW, HAS BEEN  
16 OUTDATED BY ADDITIONAL STUDIES THAT HAVE COME TO LIGHT  
17 REGARDING THE HEALTH IMPACTS AND THE EMISSIONS FROM  
18 CEMENT KILNS USING TIRE FUELS. SO WE DON'T THINK THAT  
19 1992 FEASIBILITY STUDY SERVES THE BOARD AS A GOOD BASIS  
20 FOR MOVING AHEAD AND BEING INVOLVED IN ADDITIONAL TIRE  
21 BURNING PROJECTS AND THAT THERE NEEDS TO BE ADDITIONAL  
22 REVIEW AND COMPREHENSIVE STUDY OF THE HEALTH IMPACTS.  
23 FINALLY, ON THE HEALTH STUDIES, THAT WE  
24 BELIEVE THAT THERE NEEDS TO BE ADDITIONAL PEER REVIEW,  
25 AS I MENTIONED, AND OUTSIDE REVIEW FROM INDEPENDENT



1 SCIENTISTS AT THE STATE AND THE FEDERAL LEVEL.  
2 ALSO, WE BELIEVE THAT THE RESOLUTION, WE  
3 APPRECIATE THAT YOU'VE INCLUDED THE HIERARCHY IN THE  
4 RESOLUTION, THAT YOU'VE INCLUDED THE FACT THAT THE  
5 BOARD IS PURSUING RECYCLING AND SOURCE REDUCTION AND  
6 OTHER MEANS OF USING THE TIRES AND THAT THAT SHOULD BE  
7 A PRIORITY FOR THE BOARD. WE APPRECIATE THAT.  
8 THEN WE WOULD LIKE TO SEE THE BOARD  
9 CLEARLY LAY OUT THEIR WORK PLAN FOR THE NEXT FIVE OR  
10 TEN YEARS AS TO WHAT IS THE PLAN AND THE GOALS FOR THE  
11 BOARD FOR INCREASING THE USE OF TIRES IN RUBBERIZED  
12 ASPHALT PAVING PROJECTS AND OTHER COMMERCIAL AND  
13 CONSUMER PRODUCTS. IN YOUR STAFF REPORT YOU HAD LAID  
14 OUT SOME STEPS FOR HOW YOU MIGHT ASSIST COMMUNITIES  
15 THAT ARE INTERESTED IN PURSUING TIRE-DERIVED FUEL IN  
16 CEMENT KILNS, BUT YOU HAVEN'T LISTED SPECIFIC STEPS  
17 THAT THE BOARD IS GOING TO TAKE. I KNOW YOU HAVE TAKEN  
18 SIGNIFICANT STEPS AND SPENT A LOT OF MONEY. BUT WHAT  
19 IS THE NEXT STEP? YOU KNOW, WE HAVE A LOT FURTHER THAT  
20 WE CAN GO IN PROMOTING THE USE OF TIRES IN PAVING  
21 PROJECTS.  
22 I KNOW THE FOLKS THAT WANT TO SPEAK AFTER  
23 ME HAVE A LOT OF VERY RELEVANT DATA INFORMATION ABOUT  
24 HOW MANY TIRES COULD BE USED IN THOSE KINDS OF PAVING  
25 PROJECTS, AND THERE CERTAINLY ARE SIGNIFICANT MARKET



1 OBSTACLES THAT THE BOARD HAS TO OVERCOME. AND WE WOULD  
2 LIKE TO WORK WITH YOU IN DETERMINING HOW IS THE BOARD  
3 GOING TO REDUCE THOSE OBSTACLES AND WHAT SPECIFIC STEPS  
4 CAN THE BOARD TAKE, INCLUDING PROMOTING LEGISLATION.  
5 PROMOTING LEGISLATION WOULD BE ONE STEP THE BOARD COULD  
6 TAKE, PROMOTING LEGISLATION TO REQUIRE THE USE OF  
7 RUBBERIZED ASPHALT IN PAVING PROJECTS AT THE STATE AND  
8 LOCAL LEVEL, AND WHAT OTHER STEPS CAN THE BOARD TAKE.  
9 SO WE BELIEVE THAT THIS RESOLUTION SHOULD  
10 HAVE A SPECIFIC PLAN INCLUDED FOR HOW THE BOARD WILL  
11 SUBSTANTIALLY INCREASE THE USE OF TIRES IN OTHER TYPES  
12 OF WHAT WE CONSIDER TRUE RECYCLING PROJECTS.  
13 I BELIEVE THOSE ARE THE POINTS THAT I DID  
14 WANT TO MAKE, AND I REALLY WOULD APPRECIATE A RESPONSE  
15 REGARDING WHAT IS THE INTENT OF THE BOARD REGARDING THE  
16 ITEMS THAT ARE LISTED IN THE STAFF REPORT. AND I  
17 UNDERSTAND YOU MAY WANT TO LISTEN TO THE OTHER  
18 TESTIMONY BEFORE YOU EXPLAIN THAT, BUT I WOULD  
19 APPRECIATE A RESPONSE BECAUSE I THINK THAT'S IMPORTANT  
20 FOR THE PUBLIC TO UNDERSTAND BEFORE YOU VOTE ON THIS  
21 ITEM. I APPRECIATE YOUR LISTENING TO MY COMMENTS.  
22 BOARD MEMBER JONES: MR. CHAIRMAN.  
23 CHAIRMAN PENNINGTON: MR. JONES.  
24 BOARD MEMBER JONES: I THINK I'D LIKE TO TRY  
25 TO ANSWER SOME OF THOSE THINGS BECAUSE IT MAY END UP



1 ANSWERING SOME QUESTIONS FOR SOME OTHER PEOPLE THAT ARE  
2 GOING TO GIVE TESTIMONY. THE PACKET IS THE SAME  
3 BECAUSE WE CAME UP WITH THIS YESTERDAY AFTERNOON AT  
4 4:30 OR 4 O'CLOCK, WHATEVER TIME IT WAS. THAT'S WHY  
5 IT'S CROSSED OUT IN INK, AND EVERYBODY SAID, NO, YOU  
6 GOT TO DO IT WITH A COMPUTER. I SAID NO. THIS IS SO  
7 NOBODY MISUNDERSTANDS WHAT WE'RE TRYING TO DO.  
8 SO THE ITEM WAS WRITTEN THE WAY IT WAS  
9 WRITTEN -- I DON'T KNOW -- WHENEVER WE DID THIS IN  
10 NOVEMBER OR DECEMBER, I GUESS NOVEMBER. THE RESOLUTION  
11 IS MUCH DIFFERENT.  
12 NOW, AS FAR AS A PLAN OF HOW WE'RE GOING,  
13 IF YOU LOOK IN THE ITEM, YOU WILL SEE THAT THIS BOARD  
14 HAS SPENT \$14 MILLION IN CLEANING UP POTENTIAL  
15 ENVIRONMENTAL PILES AND RUBBERIZED ASPHALT AND THOSE  
16 TYPES OF THINGS. WE'VE SPENT \$480,000 -- \$85,000 IN  
17 EMISSIONS TESTING FOR TDF THINGS. I THINK THAT'S  
18 PRETTY CLEAR PATHWAY.  
19 I TAKE FULL RESPONSIBILITY FOR CREATING  
20 THIS MISUNDERSTANDING OR MISCONCEPTION OF WHAT THIS  
21 ITEM WAS. I TAKE FULL RESPONSIBILITY FOR THAT BECAUSE  
22 I SHOULD HAVE INCLUDED THE HIERARCHY IN THE ORIGINAL  
23 RESOLUTION.  
24 IT WAS NEVER THE INTENT OF THE COMMITTEE  
25 AND IT WAS NEVER THE INTENT OF THIS BOARD TO DEVIATE



1 FROM WHAT WE HAD ALREADY BEEN DOING, ALTHOUGH IT SEEMED  
2 PRETTY REDUNDANT, BECAUSE WE HADN'T DONE ANYTHING TO  
3 CHANGE THAT. THE ONE THING WE NEVER DID AT THIS BOARD,  
4 EVEN THOUGH THE '92 REPORT AND OTHER THINGS HAD LED  
5 THAT WAY, WE HAD NEVER OFFERED TO BE AN INFORMATION  
6 SOURCE WHEN A TDF ISSUE CAME FORWARD.  
7 SO HOW DO YOU DIRECT STAFF TO BE ABLE TO  
8 ACCUMULATE OR GATHER THE INFORMATION SO THAT THEY CAN  
9 SIT AS AN INFORMATION SOURCE, NOT AS AN ADVOCATE, BUT  
10 AS SOMEBODY TO ANSWER A QUESTION? WHEN WE DO IT -- IN  
11 FACT, WE DID IT -- I DON'T KNOW IF CHUCK WHITE LEFT OR  
12 NOT. MARTHA GILDART WAS AT THE DAVIS STREET FACILITY  
13 ON THE CRUMB RUBBER PROJECT ADDRESSING THE PLANNING  
14 COMMISSION OR THE BOARD OF SUPERVISORS -- PROVIDED THAT  
15 SERVICE FOR THAT TYPE OF THING. WE DO THAT ALL THE  
16 TIME. THE ONLY ONE THAT WE HAD NEVER DONE WAS TDF  
17 BECAUSE WE HAD NEVER HAD A DIRECTION FROM THIS BOARD OR  
18 A LEVEL OF EXPERTISE OR A LEVEL OF INFORMATION THAT WAS  
19 CONSISTENT OR THAT HAD BEEN TALKED ABOUT. SO YOU DON'T  
20 GO OUT AND DO SOMETHING LIKE THAT IF YOU ARE NOT SURE  
21 ABOUT WHAT, YOU KNOW, WHAT'S THERE, RIGHT? I MEAN THAT  
22 SEEMS PRETTY REASONABLE.  
23 THAT'S MY FAULT. I TAKE FULL  
24 RESPONSIBILITY FOR CREATING THIS BECAUSE WHEN I READ  
25 THESE LETTERS, IT MAKES ME MORE EMPHATIC THAT WE DO



1 NEED TO BE OUT THERE AS AN INFORMATION SOURCE BECAUSE I  
2 HAVE 22 LETTERS THAT TOLD ME THAT DIOXIN WILL GO UP  
3 1;000 TIMES, 1,000 TIMES. OKAY? THAT MEANS THOSE  
4 PEOPLE THINK THAT DIOXIN IN THE CASE OF ONE OF THE  
5 REPORTS THAT I READ WAS 1.54 PARTS PER BILLION, IT'S  
6 GOING TO GO TO 1540 PARTS PER BILLION. I DON'T THINK  
7 THAT'S ACCURATE. I DON'T THINK THAT'S RIGHT. OKAY?  
8 THERE'S A PROBLEM THERE.  
9 I ALSO READ ANOTHER WHOLE SERIES OF  
10 LETTERS THAT SAID THAT WE HAD SPENT ZERO MONEY ON.  
11 REUSE, WE HAD SPENT ZERO MONEY ON RECYCLING. WE HAVE  
12 SPENT MILLIONS OF DOLLARS ON INCINERATION WHEN, IN  
13 FACT, OUR REPORT SAID WE SPENT \$14 MILLION ON REUSE AND  
14 ON THOSE THINGS AND HAD SPENT \$485,000 IN TESTING, NOT  
15 PROMOTING TIRE-DERIVED FUEL, MAKING SURE THAT THERE  
16 WERE -- EMISSIONS WEREN'T AFFECTED ONE WAY OR ANOTHER  
17 50 THAT THIS BOARD COULD LOOK AT THAT INFORMATION AND  
18 SAY IT LOOKS PRETTY -- WE DIDN'T DO A HEALTH RISK  
19 ASSESSMENT. THAT WASN'T WHAT WE NEEDED TO DO BECAUSE,  
20 IF YOU REMEMBER THE ORIGINAL, LONG TIME AGO, THE  
21 ORIGINAL PROPOSAL BEFORE THIS THING TURNED INTO WHAT  
22 IT'S TURNED INTO, IT REAFFIRMED THAT AFTER A LOCAL  
23 AGENCY, A LOCAL JURISDICTION, PASSED ITS LOCAL TEST,  
24 AND ONLY THEN, AND IT HAD GONE THROUGH ITS PROCESS,  
25 THAT WE WOULD LEND SUPPORT. WE WOULD SAY, YEAH, THIS



1 Is -- YOU KNOW, WE THINK IT'S A WAY TO GET RID OF TIRES  
2 BECAUSE, YOU KNOW, I DIDN'T BRING THE ISSUE UP EARLIER  
3 IN THE DAY BECAUSE I THOUGHT IT WOULD BE TOO  
4 ARTIFICIAL, BUT I WILL TELL YOU THAT ONE OF THE ITEMS  
5 WE HAD TODAY, I HAD BEEN NOTIFIED BY SOMEBODY THAT  
6 THERE WAS A PROPERTY OWNER OUT SHOPPING AROUND FOR AN  
7 ARSONIST. OKAY. REAL ITEM. I MEAN A REAL ISSUE. AN  
8 ISSUE THAT WE HAD TO DEAL WITH. YOU GUYS WOULD HAVE  
9 SAT THERE AND SAID, OH, THIS IS BULL.  
10 NOW, I COULD HAVE PROVED MY POINT AND NOT  
11 DONE ANYTHING AND LET IT GO UP IN FLAMES, YOU KNOW.  
12 THAT'S NOT MY JOB. I'M HERE TO HELP PROTECT. WE'RE  
13 NOT GOING TO DO SOMETHING TO RUIN THIS ENVIRONMENT. WE  
14 HAVE DIFFERENCES OF OPINION ON THINGS, BUT I THINK  
15 PEOPLE NEED TO UNDERSTAND THIS BOARD NEVER INTENDED, I  
16 NEVER INTENDED, I DON'T THINK ANY OF THIS BOARD EVER  
17 INTENDED THAT THIS POLICY USURP LOCAL JURISDICTIONS.  
18 IT WAS THERE TO BE A TOOL, AS WE ARE A TOOL IN RAC, AS  
19 WE ARE A TOOL ON CIVIL ENGINEERING PROJECTS. WE  
20 PROVIDE THE INFORMATION. THE ONLY ARENA WE NEVER DID  
21 WAS TIRE-DERIVED FUEL BECAUSE WE DIDN'T HAVE A LEVEL --  
22 WE DID NOT HAVE A SCRIPT. WE DIDN'T HAVE A FACT SHEET.  
23 WE DIDN'T HAVE THE PEOPLE THAT WERE TRAINED THAT COULD  
24 GO IN AND ANSWER THE QUESTIONS.  
25 I FEEL REAL COMFORTABLE TO GO INTO, ME





1 PERSONALLY AS A CITIZEN, TO BE ABLE TO GO INTO A LOCAL  
2 JURISDICTION, AND WHEN SOMEBODY SAYS DIOXIN IS GOING TO  
3 GO UP A THOUSAND PERCENT, I'D LIKE TO ASK A QUESTION.  
4 SHOW ME HOW. WHERE IS IT GOING TO GO UP A THOUSAND  
5 TIMES? THAT'S INACCURATE, AND IT LENDS ITSELF TO A  
6 FEEDING FRENZY THAT GETS PEOPLE SCARED. AND THAT WAS  
7 WHAT WE WERE TRYING TO ELIMINATE. WE WERE TRYING TO BE  
8 ABLE TO PROVIDE AN INFORMATION SOURCE TO TAKE CARE OF  
9 WHAT IS TRULY ONE OF THE MOST POTENTIAL ENVIRONMENTAL  
10 DISASTERS IN THIS STATE. IT SCARES THE HECK OUT OF US.  
11 YOU SAW US TODAY ELIMINATING EXCLUSIONS.  
12 THE EXCLUSIONS WERE PUT INTO PLACE TO PROMOTE  
13 RECYCLING. IT HAS BEEN ABUSED. IT HAS BEEN BATTERED.  
14 IT HAS BEEN SLAPPED AROUND. AND WHAT WE'VE CREATED ARE  
15 TIRE PILES THAT ARE MORE POTENTIAL ENVIRONMENTAL  
16 DISASTER.  
17 SO MY MOTION THAT I PASSED OUT TODAY  
18 SAID, LOOK, WE'VE GOT A HUGE PROBLEM. WE'RE NOT GOING  
19 TO PUT TDF TO THE TOP OF A HIERARCHY. OKAY. WE'RE NOT  
20 EVEN GOING TO LIST THE HIERARCHY, BUT WE'RE GOING TO  
21 INCLUDE EVERYTHING THAT WE'VE ALWAYS INCLUDED, RAC, ALL  
22 THESE TYPES OF THINGS. WE'RE GOING TO BE AN  
23 INFORMATION SOURCE.  
24 NOW, WHAT'S OUR PLAN IN FIVE YEARS? IT'S  
25 GOING TO BE PRETTY HARD TO TELL BECAUSE IF WE DO HAVE A



1 TIRE FIRE, IF WE -- IF MELP -- IF THE OXFORD THING GOES  
2 UP IN FLAMES BEFORE IT GETS TO THE FACILITY, THEN WE'RE  
3 GOING TO BE SPENDING ALL OUR MONEY FOR THE NEXT FIVE  
4 YEARS CLEANING THAT UP AND TRYING TO KEEP THAT OIL FROM  
5 OOZING INTO THE AQUIFER OR I MEAN INTO THE AQUEDUCT AND  
6 KEEPING HIGHWAY 5 OPEN AT THE SAME TIME. YOU KNOW WHAT  
7 I MEAN? IT'S PRETTY HARD BE ABLE TO SAY WHERE WE'RE  
8 GOING TO GO, BUT I THINK OUR PAST PERFORMANCE AND A  
9 COMMITMENT FROM THIS BOARD, THAT WE'RE GOING TO  
10 CONTINUE TO PROMOTE, AS WE HAVE ALWAYS PROMOTED, THAT  
11 WE NEED TO BE AN INFORMATION SOURCE, WE NEED TO BRING A  
12 LEVEL OF UNDERSTANDING TO SOME OF THESE OTHER ISSUES  
13 THAT AREN'T UNDERSTOOD THAT ARE VERY EMOTIONAL.  
14 EVERYBODY HERE HAS -- ALL OF US HAVE A  
15 RIGHT TO BE PASSIONATE ABOUT WHAT BELIEVE IN, AND I  
16 APPRECIATE THAT. BUT YOU'VE ASKED US TO LOOK AT THE  
17 ISSUE. WE LOOKED AT THE ISSUE, AND I PROPOSED A CHANGE  
18 IN THE RESOLUTION. YOU KNOW WHAT I MEAN? I THINK  
19 THAT'S PRETTY SIGNIFICANT BECAUSE IT ACCOMPLISHES WHAT  
20 I WANTED TO ACCOMPLISH ANYWAY. LET'S PROMOTE ALL OF  
21 THE MARKETS AND LET THE LOCAL DECISION BE A LOCAL  
22 DECISION. THAT SEEMS PRETTY FAIR TO ME. I DON'T KNOW  
23 HOW YOU FEEL, BUT I WANTED TO ANSWER YOUR QUESTION  
24 BECAUSE I THINK THAT, YOU KNOW, THAT MAY ANSWER SOME  
25 PEOPLE THAT ARE GOING TO COME UP HERE. YOU MAY GET A



1 BETTER UNDERSTANDING, BUT I WILL TELL EVERYBODY AGAIN,  
2 I APOLOGIZE FOR BRINGING THIS TO WHAT I THOUGHT WAS  
3 PRETTY GOOD POLICY TO MAKE SURE THAT WE HAD A BASIS FOR  
4 ENDORSING SOMETHING TO THIS BECAUSE I NEVER IN MY  
5 WILDEST DREAMS THOUGHT THAT THIS WOULD HAPPEN BECAUSE  
6 THAT WASN'T THE INTENT.  
7 YOU KNOW, THE INTENT IS WE GOT AN  
8 ENVIRONMENTAL DISASTER WAITING TO HAPPEN. WE NEED TO  
9 TAKE CARE OF IT. THAT'S THE INTENT. THAT'S WHERE I'M  
10 COMING FROM. I KNOW THAT'S WHERE THIS BOARD IS COMING  
11 FROM.

12 CHAIRMAN PENNINGTON: OKAY. THANK YOU, MR.  
13 JONES.

14 MS. HOLMES-GEN: COULD I MAKE ONE COMMENT? I  
15 APPRECIATE YOUR HEARTFELT SPEECH AND YOUR COMMITMENT  
16 THAT YOU'VE DEMONSTRATED AND THE BOARD HAS DEMONSTRATED  
17 TO PURSUING OTHER RECYCLING OPTIONS. THE - - AND THE  
18 BOARD -- YOU AND THE BOARD HAVE TAKEN A BIG STEP  
19 FORWARD FROM OUR PERSPECTIVE BY REWRITING THIS LANGUAGE  
20 IN THE RESOLUTION. I MEAN THAT IS A BIG STEP.  
21 UNFORTUNATELY, IT CAME A LITTLE QUICK. WE JUST GOT  
22 THIS YESTERDAY, AND THERE HASN'T BEEN A CHANCE FOR THE  
23 STAFF TO DO A NEW STAFF REPORT AND EXPLAIN THROUGH A  
24 STAFF REPORT HOW THIS WOULD BE IMPLEMENTED AND WHAT  
25 SOME OF THESE WORDS MEAN.



1 AND I BELIEVE THAT IT WOULD BENEFIT YOU  
2 AND WOULD BENEFIT THE COMMUNITY FOR YOU TO TAKE THE  
3 TIME TO EXPLAIN SOME OF THAT INFORMATION TO PUT THIS  
4 OVER AND GO BACK AND HAVE THE STAFF DO ANOTHER REPORT  
5 EXPLAINING WHAT THIS MEANS SO THAT THE COMMUNITY CAN  
6 HAVE A CHANCE AND SIERRA CLUB AND OTHERS TO REVIEW  
7 THAT. I APPRECIATE YOUR SAYING, WELL, YOU'VE  
8 DEMONSTRATED YOUR COMMITMENT, BUT WHAT WE WOULD LIKE TO  
9 SEE IS THE STAFF JUST WRITE THAT OUT IN THE STAFF  
10 REPORT SO THAT WE CAN REVIEW IT IN A TIMELY MANNER  
11 BEFORE THE HEARING ON THIS ITEM.  
12 AND MY OTHER COMMENT -- YOU KNOW --

13 BOARD MEMBER JONES: CAN I ASK A QUESTION  
14 BASED ON THAT? WHEN DID THE MOLDED MATS, THE  
15 PLAYGROUND MATS, OKAY, NOW, WE WERE GIVING AWAY A  
16 BUNCH OF -- I DON'T KNOW -- THREE OR FOUR OR 500,000,  
17 WHATEVER THE HECK IT WAS. WE RECEIVED 21 -- I DON'T  
18 REMEMBER HOW MANY LETTERS. WE GOT THIS HUGE, HUGE  
19 AMOUNT OF LETTERS THAT THOSE PLAYGROUND MATS WERE  
20 TOXIC, ENVIRONMENTALLY INSENSITIVE, AND THAT WE HAD AN  
21 OBLIGATION TO THE PEOPLE OF CALIFORNIA NOT TO LET THAT  
22 MONEY GO OUT TO BUILD PLAYGROUND MATS.

23 BOARD MEMBER GOTCH: MR. JONES, WE RECEIVED  
24 TWO LETTERS IN OPPOSITION OF PLAYGROUND MATTING.

25 BOARD MEMBER JONES: NO. NO. WAIT. WAIT.



1 WAIT. I DON'T THINK WE DID GET TWO BECAUSE I GOT A  
2 WHOLE LIST OF NAMES. THEY HAD A WHOLE GROUP OF PEOPLE,  
3 RIGHT?

4 MS. GILDART: EXCUSE ME. THEY WERE PETITIONS  
5 WITH ABOUT 200 NAMES ON THEM, BUT I THINK IT MAY HAVE  
6 COME IN TWO MAILINGS, SO MAYBE YOU ARE BOTH RIGHT.

7 BOARD MEMBER JONES: WAY TO GO, MARTHA.  
8 THAT'S GOOD. I MEAN THEY HAD ALL THESE NAMES ON THEM  
9 THAT SAID WE SHOULD NOT DO THAT. WE SHOULD NOT  
10 ALLOCATE MONEY TO GO TO A PLAYGROUND MAT AT A SCHOOL.  
11 MY QUESTION IS AND THE REASON I BRING IT UP IS WE'RE  
12 SAYING HERE THIS IS PRETTY --

13 MS. HOLMES-GEN: WE'LL SUPPORT YOU ON THE  
14 PLAYGROUND MATS.

15 BOARD MEMBER JONES: WHAT IF THERE'S 200 OTHER  
16 PEOPLE THAT SHOW UP ONE DAY WHEN WE'RE GOING THROUGH  
17 THIS ITEM THAT YOU WANT US TO DO THAT DON'T. YOU KNOW  
18 WHAT I MEAN? SO NOW WE GOT YOU HAPPY, BUT NOW WE GOT  
19 THIS OTHER GROUP THAT ISN'T HAPPY.  
20 WHAT WE'RE SAYING IN THIS THING IS THAT  
21 WE'RE GOING TO TRY TO CONTINUE TO DEVELOP MARKET -- YOU  
22 KNOW, TO SUPPORT THE DEVELOPMENT OF MARKETS FOR WASTE  
23 TIRES. THAT'S WHAT WE'RE GOING TO DO, YOU KNOW. WE'VE  
24 LISTED THE HIERARCHY. WE'VE LISTED ALL THESE THINGS.  
25 YOU'VE SEEN IN HERE THE DOLLARS WE'VE SPENT. BUT TO



1 BRING THE ITEM BACK AGAIN, I WOULD BE AFRAID,  
2 PERSONALLY, THAT I'D GET ANOTHER 7,000 LETTERS THAT,  
3 YOU KNOW, ABOUT SOMETHING ELSE. I MEAN WE'RE TRYING  
4 VERY HARD TO BE ABLE TO DO OUR BUSINESS AND DO THAT,  
5 AND THE PUBLIC HAS A RIGHT TO KNOW. DOESN'T MEAN WE  
6 CAN'T COME BACK AFTER THIS IS DONE AND SHOW YOU WHERE  
7 WE'RE AT. THIS IS A PRETTY OPEN PROCESS, YOU KNOW.  
8 BUT YOU KNOW WHAT I'M SAYING? WE KEEP PUTTING IT OFF,  
9 WE GOT TO --

10 BOARD MEMBER GOTCH: MR. CHAIR, THIS IS A  
11 PUBLIC -- WHAT WERE YOUR WORDS YOU SAID THIS IS?

12 BOARD MEMBER JONES: AN OPEN FORUM.

13 BOARD MEMBER GOTCH: AN OPEN FORUM, AND WE DO  
14 HAVE A LOT OF FOLKS THAT ARE ANXIOUS TO TALK TO US.  
15 I'D LIKE TO SUGGEST THAT WE ALLOW THE PUBLIC TO SPEAK  
16 AND THAT WE HOLD OUR COMMENTS, AND THEN WE CAN RESPOND  
17 LATER IF THAT'S ALL RIGHT WITH MY COLLEAGUES.

18 BOARD MEMBER JONES: HEY, I DON'T HAVE A  
19 PROBLEM WITH THAT, JANET.

20 CHAIRMAN PENNINGTON: OKAY. RUTH SETHE.

21 MS. SETHE: CHAIRMAN PENNINGTON AND BOARD, MY  
22 NAME IS RUTH SETHE. I'M A MEMBER OF WEST VALLEY  
23 CITIZENS AIR WATCH AND A CITIZEN OF CUPERTINO.  
24 THE REASON I CAME HERE WITH THIS IS  
25 BECAUSE AT THE LAST TIME THAT WE MET, IT WAS INFERRED



1 THAT THERE WAS NO ONE EXCEPT THE MEMBERS OF CUPERTINO  
2 THAT WERE CONCERNED AT ALL ABOUT TIRE-DERIVED FUEL. AND  
3 I BROUGHT A VERY SMALL SAMPLE OF LETTERS OF CONCERNED  
4 PEOPLE FROM THREE COUNTIES WHERE CEMENT KILNS ARE  
5 LOCATED. THIS IS SAN BERNARDINO COUNTY, KERN COUNTY,  
6 AND SHASTA COUNTY.  
7 SEVERAL ARE TEACHERS OF YOUNG CHILDREN  
8 WHO ARE CONCERNED ABOUT THESE CHILDREN'S HEALTH. WE  
9 ALSO HAVE LETTERS FROM SENIOR CITIZENS.  
10 FIRST ONE, CHAIRMAN PENNINGTON AND BOARD,  
11 I'M AN OFFICER IN THE CALIFORNIA RETIRED TEACHERS  
12 DIVISION 74, WHICH INCLUDES THE TOWNS AND AREAS OF  
13 LUCERNE VALLEY, APPLE VALLEY, VICTORVILLE, ADELANTO,  
14 ORO GRANDE, OAK HILLS, AND PHELAN.  
15 WE UNDERSTAND THAT ON JANUARY 28, 1998,  
16 YOUR BOARD WILL VOTE ON THE ISSUE GIVING PERMISSION FOR  
17 CERTAIN CEMENT PLANTS IN OUR AREA TO BURN DISCARDED  
18 TIRES FOR FUEL. PLEASE BE ADVISED --

19 CHAIRMAN PENNINGTON: THAT'S NOT WHAT WE'RE  
20 DOING.

21 MS. SETHE: I'M READING A LETTER, SIR.

22 CHAIRMAN PENNINGTON: I UNDERSTAND THAT, BUT  
23 I'M POINTING OUT THAT IT'S INACCURATE.

24 MS. SETHE: PLEASE BE ADVISED THAT OUR  
25 ORGANIZATION STRENUOUSLY OPPOSED THIS PROPOSAL. WE



1 THOUGHT THAT THE BURNING OF TIRES WAS ILLEGAL IN  
2 CALIFORNIA BECAUSE OF THE TOXIC CONSEQUENCES. WE ALSO  
3 THINK THAT THE EXPERIMENTAL BURNING OF THAT -- THAT  
4 THIS BURNING OF THIS MATERIAL BY KAISER CEMENT IN  
5 CUPERTINO IN 1995 AND THE TERRIBLE RESULTS AND THE  
6 FIASCO WOULD HAVE WARNED YOU AND YOUR COMMITTEE ABOUT  
7 THE DEADLY DANGERS OF THIS ACTION. WE BEG YOU IN THE  
8 NAME OF HUMAN DECENCY TO VOTE NO ON RESOLUTION, AND  
9 THIS WAS THE OLD RESOLUTION NUMBER, 97-425.  
10 DEAR SIR, DO NOT SUPPORT THE BURNING OF  
11 TIRES. THIS ONE IS FROM KERN COUNTY. BY THE WAY, I'LL  
12 NAME THE NAMES BECAUSE THEY WISH TO HAVE THOSE NAMES  
13 LISTED. THE FIRST ONE WAS FROM A DAN BALLARD. AND  
14 THAT WAS APPLE VALLEY, CALIFORNIA.  
15 DEAR SIR, DO NOT SUPPORT THE BURNING OF  
16 TIRES FOR FUEL FOR CALIFORNIA PORTLAND CEMENT IN  
17 MOJAVE. THIS IS HARMFUL TO ALL HUMANS LIVING NEAR  
18 THESE PLANTS. I AM REFERRING TO THE PORTLAND CEMENT  
19 PLANT FOR WHOM YOU WANT TO APPROVE THIS PLAN ON JANUARY  
20 28TH. IT HAS BEEN DOCUMENTED IN THE JOURNAL OF  
21 EPIDEMIOLOGY THAT -- AND HUMAN COMMUNITY HEALTH DURING  
22 1997 THAT THESE DEADLY TOXIC POLLUTANTS CAUSE CANCER,  
23 ASTHMA, NERVE DISORDERS, AND MANY OTHER ILLNESSES.  
24 AS A HOMEOWNER IN KERN COUNTY, I OBJECT  
25 TO THIS BURNING OF TIRES AT THE MOJAVE PLANT, AND I





1 HEARTILY SUPPORT AN ALTERNATIVE USE OF SHREDDED RUBBER.  
2 SINCERELY, JOYCE FRINGER, RESOURCE CHAIRMAN, CALIFORNIA  
3 RETIRED TEACHERS, KERN COUNTY DIVISION.  
4 THE RETIRED -- THIS ONE IS FROM  
5 VICTORVILLE. THE RETIRED TEACHERS ASSOCIATION DIVISION  
6 74 CRTA OPPOSES RESOLUTION 97-425. THE SENIOR  
7 CITIZENS, THEIR CHILDREN, AND OTHER ADULTS IN  
8 VICTORVILLE AREA ARE IN AGREEMENT WITH YOUR  
9 OPPOSITION -- WITH OUR OPPOSITION TO THIS RESOLUTION.  
10 WE KNEW THAT YOU AND OTHER BOARD MEMBERS HAVE THE POWER  
11 TO OPPOSE AND STOP RESOLUTION 97-425. PLEASE DO SO IN  
12 ORDER THAT WE MAY HAVE CLEAN AIR FOR THE CITIZENS OF  
13 OUR STATE. THANK YOU FOR YOUR COOPERATION IN THIS  
14 MATTER.  
15 I HAVE SEVERAL HERE FROM SHASTA COUNTY. I  
16 WILL READ JUST A FEW OF THEM, AND THEN I WILL LIST THE  
17 OTHERS BY NAME. THEY WISH TO HAVE THEIR NAME PUT IN.  
18 BY THE WAY, THIS LAST ONE WAS FROM NORBERT SILVERMAN,  
19 CHAIRMAN LEGISLATIVE COMMITTEE DIVISION, 74 CRTA,  
20 VICTORVILLE.

21 CHAIRMAN PENNINGTON: ANY OF THOSE -- IF YOU  
22 WILL GIVE THEM TO MS. KELLY, SHE'LL MAKE SURE THAT THEY  
23 GET IN THE RECORD.

24 MS. SETHE: I'M GOING TO JUST READ A FEW OF  
25 THESE FROM SHASTA COUNTY. CALAVERAS CEMENT COMPANY IN



1 SHASTA COUNTY HAS BEEN BURNING TIRES. ASSOCIATED WITH  
2 THIS IS THE EMISSIONS OF DANGEROUS TOXINS INTO THE AIR.  
3 SOME OF THESE TOXINS CAUSE CANCER. I ASK YOU TO STOP  
4 THIS DANGEROUS PRACTICE. RESPECTIVELY SUBMITTED BY  
S LINDA GOULD, BARNS RANCH ROAD, COTTONWOOD, CALIFORNIA.  
6 THIS ONE IS FROM A BOB BORTOLUSSI IN  
7 ANDERSON, CALIFORNIA. THE CALAVERAS CEMENT COMPANY IN  
8 SHASTA COUNTY IS BURNING TIRES. THIS PRACTICE IS  
9 UNACCEPTABLE TO ME AND MY FAMILY. THERE ARE TOXINS  
10 THAT POLLUTE THE AIR AND PUT THE HEALTH OF SHASTA  
11 COUNTY RESIDENTS AT RISK. YOU MUST DISCONTINUE AT  
12 ONCE. WHY DON'T YOU CONSIDER RECYCLING THESE TIRES  
13 INTO RUBBERIZED ASPHALT? MY ADDRESS IS AND SO FORTH.  
14 CALAVERAS CEMENT NEAR MOUNTAIN GATE IN  
15 SHASTA COUNTY IS BURNING TIRES. THERE ARE DANGEROUS  
16 TOXINS WHICH POLLUTE THE AIR AND ARE ASSOCIATED WITH  
17 THIS BURNING. AS A TEACHER OF YOUNG CHILDREN, I  
18 PROTEST. THESE TOXINS WILL BE DETRIMENTAL TO THE  
19 HEALTH OF OUR FUTURE GENERATIONS, NOT TO MENTION OUR  
20 OWN HEALTH. WHAT ABOUT THE HEALTH OF YOUR CHILDREN AND  
21 YOUR GRANDCHILDREN? STOP THE BURNING. THE TIRES CAN  
22 BE RECYCLED AND SO FORTH. SHE SAID I RESIDE IN SHASTA  
23 COUNTY AT 22000 WHISPERING WATERS, ANDERSON,  
24 CALIFORNIA.  
25 I TEACH KINDERGARTEN AT BONNIE VIEW



1 SCHOOL IN REDDING. I'LL READ ONE MORE AND I'LL JUST  
2 GIVE THE NAMES. CALAVERAS COUNTY IN SHASTA COUNTY IS  
3 BURNING TIRES. THERE ARE DANGEROUS TOXINS ASSOCIATED  
4 WITH THIS BURNING. AS A TEACHER OF YOUNG CHILDREN, I  
5 PROTEST. THESE TOXINS WILL BE DETRIMENTAL TO THE  
6 HEALTH OF THE FUTURE GENERATIONS. STOP THE BURNING.  
7 THIS IS PENNY AND STEVE DURBIN.  
8 THIS WAS FROM SHASTA COUNTY, IRENE  
9 OTTMAN, AND I HAVE THEIR ADDRESSES AND THINGS HERE TOO.  
10 PAT JONES OF COTTONWOOD IN COTTONWOOD,  
11 CALIFORNIA. JUDITH LORD, REDDING CALIFORNIA.  
12 CHAIRMAN PENNINGTON: THANK YOU, MS. SETHE.  
13 NEXT IS MARYLIN MCCARTHY.  
14 BOARD MEMBER FRAZEE: MAY I MAKE A COMMENT  
15 WHILE SHE'S COMING FORWARD?  
16 MS. MCCARTHY: COULD I REQUEST THAT THREE  
17 OTHER PEOPLE TO GO BEFORE ME, AND I'LL SPEAK AFTER  
18 DONNA GHOUL AND TIM BRAND AND JIM HALF, FOUR, PEOPLE  
19 PEOPLE?  
20 CHAIRMAN PENNINGTON: WHO DO YOU WANT TO GO IN  
21 FRONT OF YOU?  
22 MS. MCCARTHY: I WOULD PREFER MORGAN HOFF.  
23 CHAIRMAN PENNINGTON: I'VE GOT -- THEY ASKED  
24 TO BE ONE OF FOUR. YOU WANT ALL FOUR OF THEM TO GO  
25 BEFORE YOU?



1 MS. MCCARTHY: YES, PLEASE.

2 CHAIRMAN PENNINGTON: OKAY. MORGAN HOFF.

3 BOARD MEMBER FRAZEE: WHILE HE'S COMING

4 FORWARD, I WANTED TO COMMENT, MR. CHAIRMAN. I JUST

5 LAST WEEK HAPPENED TO HAVE LUNCH WITH A RETIRED TEACHER

6 FROM VICTORVILLE, AND THE SUBJECT OF TIRE BURNING AND

7 CEMENT PLANTS CAME UP. AND SHE THOUGHT IT WAS ONE OF

8 THE GREATEST THINGS THAT'S HAPPENED TO THE VALLEY AND

9 POINTED OUT THAT IT'S CLEANED UP LOTS OF TIRES AND CAN

10 SEE NO DIFFICULTY WITH THE AIR QUALITY IN VICTORVILLE.

11 MR. HOFF: MY NAME IS MORGAN HOFF. I'M A

12 MEMBER OF THE WEST VALLEY CITIZENS AIR WATCH. I NEED

13 TO GET USED TO YOUR EQUIPMENT.

14 FIVE MONTHS AGO OUR GROUP HAD NEVER HEARD

15 OF THE INTEGRATED WASTE MANAGEMENT BOARD. THE NAMES

16 DANIEL PENNINGTON, PAUL RELIS, JANET GOTCH, STEVE

17 JONES, ROBERT FRAZEE, WESLEY CHESBRO MEANT NOTHING TO

18 US. NOW WE REALIZE THAT THE BOARD IS AN AGENCY, AND

19 EACH ONE OF YOU AS INDIVIDUALS PLAYS AN EXTREMELY

20 IMPORTANT ROLE IN THE LIVES OF ALL CITIZENS OF

21 CALIFORNIA. A PART OF THAT ROLE IS TO ENSURE THAT THE

22 HEALTH OF ALL CITIZENS IS NOT UNDULY PUT AT RISK

23 BECAUSE OF POLLUTION FROM DISPOSAL OF WASTE PRODUCTS.

24 IN THIS FIDUCIARY CAPACITY, IT IS

25 INCUMBENT UPON YOU TO GATHER ACCURATE AND COMPLETE



1 INFORMATION. TO MAKE DECISIONS BASED ON ERRONEOUS OR  
2 INCOMPLETE INFORMATION OR TO FAIL TO APPROPRIATELY  
3 EVALUATE THE INFORMATION YOU RECEIVE IS TO BREACH YOUR  
4 FIDUCIARY OBLIGATION TO THE CITIZENS OF CALIFORNIA.  
5 WE'RE HERE TODAY BECAUSE WE BELIEVE THAT  
6 YOU HAVE RECEIVED INACCURATE INFORMATION, AND WE ASK  
7 THAT EACH OF YOU LISTEN TO OUR PRESENTATION WITH AN  
8 OPEN MIND. IF AFTER HEARING WHAT WE HAVE TO SAY YOU  
9 CONCLUDE THAT WE ARE CORRECT, OR IF WE HAVE CREATED  
10 DOUBT ABOUT THE INTEGRITY OF THE DAMES & MOORE REPORT,  
11 THEN YOU MUST NOT PASS THIS RESOLUTION.  
12 I'M GOING TO BE REFERRING TO THE DAMES &  
13 MOORE REPORT ANALYSIS OF EMISSIONS, TEST RESULTS, AND  
14 RESIDUAL BY-PRODUCTS FROM FACILITIES USING TIRES AS A  
15 FUEL SUPPLEMENT. IN ABBREVIATED FORM OF JUST DAMES &  
16 MOORE, THAT'S THE SAME REPORT THAT MS. GILDART REFERRED  
17 TO INITIALLY.  
18 THE WEST VALLEY CITIZENS AIR WATCH  
19 OPPOSES ANY RESOLUTION THAT SUPPORTS THE USE OF TIRES  
20 AS SUPPLEMENTAL FUEL. DAMES & MOORE IS HELD UP BY SOME  
21 AS SCIENTIFIC EVIDENCE THAT BURNING TIRES AS -- USING  
22 TIRES AS SUPPLEMENTAL FUEL DOES NOT INCREASE EMISSIONS  
23 AND DOES NOT INCREASE HEALTH RISKS. BUT AT THE WEST  
24 VALLEY CITIZENS AIR WATCH WE DO NOT BELIEVE THAT, AND  
25 I'LL TELL YOU WHY.



1 I'M HERE TO PROVIDE A SUMMARY OF A  
2 CRITIQUE OF THE DAMES & MOORE REPORT THAT WE WROTE. WE  
3 BELIEVE THAT THE DAMES & MOORE REPORT IS JUNK SCIENCE,  
4 THAT IT CANNOT BE USED AS SCIENTIFIC EVIDENCE, AND THAT  
5 IT SHOULD JUST BE DISTRUSTED.  
6 WHAT WE DID AT THE WEST VALLEY CITIZENS  
7 AIR WATCH WAS THOUGHTFULLY REVIEW THE DAMES & MOORE  
8 REPORT, AND WE WROTE A MEMO TITLED "CRITIQUE OF DAMES &  
9 MOORE REPORT." THE CRITIQUE WAS SENT TO CHAIRMAN  
10 PENNINGTON ON THE 13TH OF THIS MONTH AND TO THE OTHER  
11 BOARD MEMBERS ON THE 20TH. THE WEST VALLEY CITIZENS  
12 AIR WATCH FOUND THE REPORT TO BE UNRELIABLE. DATA WAS  
13 NOT OBJECTIVELY OBTAINED. DATA WAS VOLUNTARILY  
14 PROVIDED BY FACILITIES WITH A VESTED INTEREST IN BEING  
15 ABLE TO BURN TIRES.  
16 FOR ROUGHLY 70 PERCENT OF THE REPORTED  
17 FACILITIES, DAMES & MOORE PROVIDED NO INFORMATION ON  
18 THE AMOUNT OF TIRES ADDED AS SUPPLEMENTAL FUEL. THUS,  
19 THERE IS INSUFFICIENT INFORMATION TO NORMALIZE THE  
20 DATA. SO WE CANNOT COMPARE THE FACILITIES, YET THE  
21 FACILITIES ARE COMPARED. ALSO, ROUGHLY 65 PERCENT OF  
22 THE REPORTED FACILITIES ARE OUTSIDE OF CALIFORNIA AND  
23 POTENTIALLY SUBJECT TO DIFFERENT ENVIRONMENTAL  
24 STANDARDS. THIS AGAIN CAUSED LACK OF COMPARABILITY.  
25 IF I'M BOOMING INTO THIS MICROPHONE OR



1 FADING OUT, PLEASE LET ME KNOW. I'M NOT USED TO IT.

2 CHAIRMAN PENNINGTON: YOU ARE DOING FINE.

3 MR. HOFF: THE POUNDS PER HOUR OF VARIOUS

4 POLLUTANTS WERE REPORTED WITHOUT NORMALIZING TO THE

5 AMOUNT OF FUEL BURNED PER HOUR. FOR EXAMPLE, A

6 FACILITY THAT WAS 15 TIMES AS LARGE AS ANOTHER IN TERMS

7 OF THE AMOUNT OF FUEL IT CONSUMED, THE EMISSIONS FROM

8 THOSE TWO FACILITIES WERE JUST ADDED TOGETHER AND AN

9 AVERAGE TAKEN, NOT A VERY MEANINGFUL COMPARISON.

10 ALSO, SOMETHING TO OBSERVE IS THAT DAMES

11 & MOORE DID THE MATH WRONG IN THEIR REPORT. VERY

12 OBJECTIVE. YOU'LL HEAR ABOUT THAT IN A LATER

13 PRESENTATION. THEY DID THE MATH WRONG.

14 THE OVERALL DATA IS STATISTICALLY

15 UNRELIABLE AS IS DEMONSTRATED BY THE HUGE RELATIVE

16 DEVIATIONS AND LOW CONFIDENCE LEVEL OF THE DATA. A

17 STATISTICAL MEASURE REFERRED TO AS THE CONFIDENCE LEVEL

18 PROVIDES A METHOD OF UNDERSTANDING WHETHER THE

19 DIFFERENCE OR SAMENESS OF TWO GROUPS CAN BE RELIED UPON

20 AS MEANINGFUL. THE RELATIVE STANDARD DEVIATION IS THE

21 STANDARD DEVIATION DIVIDED BY THE MEAN, WHICH TELLS YOU

22 HOW BIG THE STANDARD DEVIATION IS COMPARED TO THE MEAN.

23 CONFIDENCE LEVELS ARE CALCULATED FROM

24 STANDARD DEVIATIONS AND THE MEANS OF EACH GROUP BEING

25 COMPARED. IF THE STANDARD DEVIATIONS ARE LARGE



1 COMPARED TO THE MEANS, THE CONFIDENCE LEVEL WILL BE LOW  
2 AND YOU CAN'T TRUST THE COMPARISON. AN EXAMPLE OF  
3 THIS, AND THAT'S A LOT OF WORDS, BUT AN EXAMPLE OF THIS  
4 IS THAT IF I TOLD YOU THAT THE AVERAGE HEIGHT OF THE  
5 MEN IN THIS ROOM WAS FIVE FOOT TEN, YOU WOULD SAY,  
6 OKAY, I BELIEVE THAT. IF I SAID IT WAS FIVE FOOT TEN  
7 PLUS OR MINUS 12 INCHES, YOU'D SAY, OKAY, YOU'RE  
8 HEDGING YOUR BETS. YOU DON'T KNOW MUCH ABOUT IT. IT'S  
9 BELIEVABLE. IF I SAID IT WAS FIVE FOOT TEN PLUS OR  
10 MINUS 5 FEET, YOU'D SAY, WELL, YEAH, IT'S TRUE, BUT  
11 IT'S NOT VERY MEANINGFUL. IN FACT, ONE OF THOSE PEOPLE  
12 WOULD BE MINUS TWO INCHES TALL, SOMEONE ELSE WOULD BE  
13 10 FEET TALL, NOT VERY MEANINGFUL, NOT VERY BELIEVABLE.  
14 WELL, THIS IS THE KIND OF NUMBERS THAT  
15 ARE ACTUALLY COMING OUT OF THE DAMES & MOORE REPORT.  
16 I'LL SHOW YOU THAT IN A MINUTE.  
17 ALSO, IF I TOLD YOU THAT IN THE OTHER  
18 ROOM OVER THERE THERE WAS A DIFFERENT GROUP OF GUYS,  
19 THEY WERE A LITTLE TALLER, THEY WERE 6 FEET PLUS OR  
20 MINUS 6 FEET, SO THEY WENT FROM ZERO TO 12 FEET, AND  
21 THEN I SAID THEY'RE TALLER, YOU WOULD SAY THIS GUY  
22 DOESN'T KNOW HOW TO USE A MEASURING TAPE. THE -- JUST  
23 YOUR INTUITION TELLS YOU THESE ARE BAD NUMBERS.  
24 THIS IS THE KIND OF COMPARISON YOU ARE  
25 GOING TO SEE IN DAMES & MOORE. THE TABLE IMMEDIATELY





1 BELOW INCLUDES THE MEAN AND STANDARD DEVIATIONS  
2 EXTRACTED FROM THE TEXT OF DAMES & MOORE PAGE 25.  
3 DAMES & MOORE DOESN'T PUT THIS DATA IN A TABLE. THIS  
4 TABLE GOES BEYOND DAMES & MOORE. IT CALCULATES FOR  
5 EACH OF THE FOUR CRITERIA POLLUTANTS: NOX, SULFUR  
6 DIOXIDE, CARBON MONOXIDE, AND PARTICULATES. THE  
7 CONFIDENCE LEVEL THAT THE MEAN FOR THE BASELINE RESULT  
8 AND THE TDF RESULT ARE, IN FACT, DIFFERENT.  
9 SPECIFICALLY, THIS IS THE PROBABILITY THAT THE TWO  
10 MEANS ARE NOT SIMPLY THE RESULT OF TWO SAMPLES TAKEN  
11 FROM THE SAME POPULATION.  
12 PRACTICES AND OPINIONS VARY, BUT ONE RULE  
13 OF THUMB IS THAT 99-PERCENT CONFIDENCE LEVEL IS  
14 CONSIDERED HIGHLY STATISTICALLY SIGNIFICANT. A  
15 95-PERCENT CONFIDENCE LEVEL IS CONSIDERED PROBABLY  
16 SIGNIFICANT, AND A LEVEL OF LESS THAN 90 IS CONSIDERED  
17 GENERALLY NOT STATISTICALLY SIGNIFICANT. ALL THESE  
18 COMPARISONS IN DAMES & MOORE ARE LESS THAN 75  
19 PERCENT -- HAVE A CONFIDENCE LEVEL OF LESS THAN 75  
20 PERCENT AND SOME ARE AS LOW AS 6 PERCENT. THESE ARE  
21 NOT GOOD COMPARISONS.  
22 FURTHERMORE, DAMES & MOORE REPORTS THESE  
23 MEANS AND STANDARD DEVIATIONS IN TEXT ONLY. IT DOESN'T  
24 ORGANIZE THEM IN A TABLE THAT WOULD EXPOSE THE LARGE  
25 RELATIVE STANDARD DEVIATIONS TO THE INSPECTION OF A



1 READER. IT DOES NOT CALCULATE THE CONFIDENCE LEVELS.  
2 IT DOESN'T EVEN OBSERVE THAT THE DATA HAS VERY LARGE  
3 STANDARD RELATIVE DEVIATIONS.  
4 WE GO BACK TO THE CASE OF THE 6-FOOT TALL  
5 PEOPLE IN THIS ROOM THAT ARE 6 FOOT TALL PLUS OR MINUS  
6 6 FEET. IF YOU LOOK AT THE TOP ROW OF THE NOX  
7 EMISSIONS, IT'S SAYING THAT THE MEAN IS 243 POUNDS PER  
8 HOUR PLUS OR MINUS 215 POUNDS PER HOUR. WELL, IT'S  
9 ACTUALLY WORSE THAN THAT BECAUSE THE STANDARD DEVIATION  
10 IS APPLIED TO SAY THAT I HAVE 95 PERCENT CONFIDENCE  
11 THAT THE OUTPUT OF NOX IS 243 PLUS OR MINUS TWICE THE  
12 STANDARD DEVIATION. IT'S ANYWHERE FROM MINUS 200  
13 POUNDS PER HOUR TO PLUS 600 POUNDS PER HOUR. SO THESE  
14 VERY BROAD STANDARD DEVIATIONS SAY THAT THERE'S A  
15 FACILITY OUT THERE THAT MIGHT ACTUALLY BE SUCKING IN  
16 NITROUS OXIDE OR NITROGEN OXIDES. IT'S JUST  
17 MEANINGLESS.  
18 GOING THIS FAR WITH THESE NUMBERS IS SORT  
19 OF A SILLY EXERCISE. THE STANDARD DEVIATIONS ARE ABOUT  
20 AS LARGE AS THE MEANS IN SOME CASES. WHAT THIS TELLS A  
21 PERSON KNOWLEDGEABLE IN STATISTICS IS THAT THE SETS OF  
22 NUMBERS THAT DAMES & MOORE ASSEMBLED ARE NOT MEANING-  
23 FUL. THEY'RE EITHER VERY SCATTERED OR VERY SKEWED.  
24 THEY'RE UNRELATED COLLECTIONS OF DATA.  
25 THERE MAY BE NO UNDERLYING JUSTIFICATION



1 FOR COMBINING THE DATA INTO SETS. THEY'RE NOT  
2 MEANINGFULLY RELATED.  
3 THE OTHER STATISTICAL NUMBER THAT YOU  
4 COME UP WITH FROM THIS TABLE IS THE MEANS -- THE MEAN  
5 FOR NOX IN THIS CASE CAN BE ANYWHERE FROM 163 TO 322  
6 POUNDS PER HOUR. ALL THESE STATISTICS SAY IS WE HAVE  
7 95-PERCENT CONFIDENCE THAT IT'S SOMEWHERE IN THAT  
8 RANGE. THE POPULATION AVERAGE IS 163 TO 322 WITHOUT  
9 TIRES BEING BURNED. AND WITH TIRES BEING BURNED, IT'S  
10 135 TO 248. ANY OF THOSE NUMBERS IN THE RANGE ARE  
11 EQUALLY VALID.  
12 WHAT THIS SAYS IS THAT THE NOX EMISSIONS  
13 COULD HAVE CHANGED ANYWHERE FROM DROPPING BY 60 PERCENT  
14 TO INCREASING BY 50 PERCENT. THAT'S NOT VERY MEANING-  
15 FUL. THAT IS THE NATURE OF ALL THESE COMPARISONS IN  
16 DAMES & MOORE.  
17 WHAT WE'VE CONCLUDED IS THAT THE  
18 STATISTICAL PROPERTIES OF THE DATA THAT DAMES & MOORE  
19 REPORTS CONFIRM THE FIRST THREE POINTS MADE. IN  
20 ESSENCE, THE DATA IS UNNORMALIZED AND IS NOT  
21 COMPARABLE, AND IT'S ARBITRARILY ORGANIZED. TOO MANY  
22 DIFFERENT FACTORS DISTINGUISH THE FACILITIES TO MAKE  
23 THEM DIRECTLY COMPARABLE. SUCH FACTORS INCLUDE FUEL  
24 TYPE, FACILITY SIZE, SITE-SPECIFIC EQUIPMENT, AMOUNT OF  
25 TDF USED. THIS LACK OF COMPARABILITY PRODUCES WIDE OR



1 SKEWED DISTRIBUTIONS WITH NO PRECISE MEAN. MEAN IN  
2 THIS CASE MEANING ARITHMETIC AVERAGE.  
3 AS IT CURRENTLY STANDS, THE DAMES & MOORE  
4 REPORT DOES NOT PROVIDE INFORMATION UPON WHICH YOU CAN  
5 INTELLIGENTLY DETERMINE WHETHER THE USE OF TDF AS A  
6 FUEL SUPPLEMENT INCREASES OR WHETHER IT DECREASES  
7 EMISSIONS. CONSEQUENTLY, ONE CANNOT DETERMINE WHETHER  
8 THE USE OF TDF AS A FUEL SUPPLEMENT POSES A RISK TO  
9 HEALTH OF LARGE NUMBERS OF CALIFORNIA CITIZENS.  
10 HERE'S THE POINT. DAMES & MOORE HAS BEEN  
11 HELD UP AS SCIENTIFIC EVIDENCE THAT POLLUTANT EMISSIONS  
12 DON'T CHANGE SIGNIFICANTLY WHEN YOU USE TIRES AS A FUEL  
13 SUPPLEMENT. IT'S BEEN HELD UP AS SCIENTIFIC EVIDENCE  
14 THAT HEALTH RISK DOESN'T CHANGE WHEN YOU ADD FUEL --  
15 TIRES AS A FUEL SUPPLEMENT. BUT THE DAMES & MOORE  
16 REPORT IS SERIOUSLY FLAWED TO THE POINT OF BEING  
17 ABSURD.  
18 CONSEQUENTLY, I ASK YOU TO REJECT ANY  
19 RESOLUTION THAT SUPPORTS THE USE OF TIRES AS A FUEL  
20 SUPPLEMENT OR AS A FUEL. THANK YOU.

21 CHAIRMAN PENNINGTON: THANK YOU. NEXT IS TIM  
22 BRAND.

23 MR. BRAND: WASTE TIRES ARE A DIFFICULT  
24 PROBLEM, BUT THE EASIEST SOLUTION IS RARELY THE BEST  
25 SOLUTION, JUST LIKE THE LOWEST BIDDER IS OFTEN NOT THE



1 BEST; I.E., THAT WOULD BE DAMES & MOORE.

2 MR. JONES, I'M SURE THAT MANY PEOPLE HAVE

3 GOTTEN THEIR FACTS CONFUSED, BUT THEY HAVE SIMPLY

4 LISTENED AND PUT THEIR FAITH IN A COMPELLING SPEAKER

5 WITHOUT A FULL UNDERSTANDING. THEY'RE STILL ENTITLED

6 TO THEIR OPINION, AND I THINK YOU OWE THEM MORE

7 RESPECT.

8 BOARD MEMBER FRAZEE: THAT'S THE WAY TO GET  
9 YOUR POINT ACROSS.

10 MR. BRAND: FOR THE RECORD, MY NAME IS TIM

11 BRAND, AND I'VE BEEN AN ENGINEER IN THE VALLEY, SILICON

12 VALLEY, GOING ON 20 YEARS NOW. LAST TIME I CAME BEFORE

13 THIS BOARD, I SHOWED YOU CHARTS OF THE EMISSION

14 INCREASES THAT OCCURRED AT KAISER CEMENT WHEN IT BURNED

15 TIRES. MARTHA GILDART OF THE IWMB SAT RIGHT IN FRONT

16 OF ME AT THIS BOARD MEETING, AND AFTERWARDS SHE SHOWED

17 ME CHARTS FROM THE DAMES & MOORE STUDY WHICH SHE

18 CLAIMED PROVED TIRE BURNING HAD NO SUCH EFFECT.

19 WELL, NOW AFTER REVIEWING THE DAMES &

20 MOORE REPORT, I CAN RESPOND TO THAT STATEMENT. TODAY

21 I'VE COME BACK TO YOUR BOARD MEETING TO TELL YOU

22 EMPHATICALLY THAT THE DAMES & MOORE REPORT IS

23 INACCURATE AND SLOPPY AND THAT IT BELONGS IN THE TRASH

24 OR MAYBE THE RECYCLING BINS SO WE CAN STAY WITHIN YOUR

25 MISSION STATEMENT.



1 SINCE I HAPPEN TO BE FAMILIAR WITH THE  
2 LARGE EMISSION LEVELS FROM THE KILN AT KAISER CEMENT,  
3 WHICH I CAN OFTEN SMELL IN MY LIVING ROOM, THE VERY  
4 FIRST THING I WANTED TO CHECK WAS HOW THE DATA FROM  
5 KAISER WAS ENTERED INTO THE REPORT. TO CHECK THIS,  
6 HOWEVER, YOU NEED TO SEE THE APPENDICES BECAUSE THE  
7 MAIN BODY OF THE REPORT USES CRYPTIC REFERENCE  
8 DESIGNATORS ON THE CHARTS AND DOES NOT GIVE THE SECRET  
9 CODES AWAY. HERE'S ONE PAGE OF APPENDIX B, WHICH  
10 CLAIMS TO BE A SUMMARY OF EMISSION DATA COLLECTED. CAN  
11 EVERYBODY SEE THE ZEROS UNDER THE KAISER CEMENT  
12 COLUMNS?  
13 IRONICALLY I SHOWED YOU THIS VERY DATA IN  
14 A CHART LAST TIME I WAS HERE. AT THIS TIME I'LL JUST  
15 SHOW YOU A CHART PUBLISHED BY THE BAY AREA AIR QUALITY  
16 MANAGEMENT DISTRICT IN CASE YOU DON'T BELIEVE MY  
17 CHARTS.  
18 NOX EMISSIONS WERE 592 POUNDS PER HOUR  
19 AND 628 POUNDS PER HOUR FOR THE TDF CONDITION, NOT ZERO  
20 AS SHOWN IN THE DAMES & MOORE APPENDICES. ALL OF THESE  
21 OTHER ZEROS FOR KAISER CEMENT IN THE COLUMNS THAT I  
22 SHOWED YOU ARE ALSO WRONG. ODDLY ENOUGH, THE ONLY  
23 CRITERIA POLLUTANT ENTERED IN THESE COLUMNS IS  
24 PARTICULATE MATTER.  
25 UNIDENTIFIED SPEAKER: I HOPE YOU REALIZE WHAT



1 THIS MEANS, WHAT HE'S TELLING YOU.

2 MR. BRAND: BUT THE VALUES ARE A MERE FRACTION

3 OF THE ACTUAL NUMBERS PUBLISHED BY THE VAAQMD. AGAIN,

4 I POINT OUT TO YOU THE VALUES RECORDED BY DAMES &

5 MOORE, .11 AND .14 FOR BASELINE AND .13 AND .15 FOR THE

6 TDF CONDITION COMPARED TO THE VALUES SHOWN IN THE AIR

7 DISTRICT CHART, BAY AREA AIR QUALITY MANAGEMENT

8 DISTRICT.

9 THIS CHART AVERAGES THE TWO COLUMNS, AND

10 THEY SHOW 2.8 POUNDS FOR BASELINE AND 3.2 POUNDS FOR

11 THE TDF CONDITION. SOMETHING IS TERRIBLY WRONG HERE.

12 WHOEVER ENTERED THIS DATA SPENT VERY LITTLE TIME

13 CHECKING HIS WORK.

14 NEXT I CHECKED TO SEE IF THE BENZENE WAS

15 ENTERED CORRECTLY SINCE THIS IS THE PRIMARY CARCINOGEN

16 EMISSION FROM KAISER CEMENT'S KILN. IMAGINE MY

17 AMAZEMENT WHEN I FOUND ANOTHER GLARING ERROR. HERE'S A

18 SPREADSHEET PUBLISHED BY THE BAY AREA AIR QUALITY

19 MANAGEMENT DISTRICT, AND THE FIRST THING LISTED IN THE

20 SPREADSHEET IS THE BENZENE EMISSIONS AT 2.02 POUNDS AND

21 1.98 POUNDS PER HOUR FOR THE BASELINE CONDITION.

22 CONTRAST THAT WITH PAGE 1 OF APPENDIX C FROM THE DAMES

23 & MOORE REPORT. THE DAMES & MOORE REPORT SHOWS .082

24 AND .081 POUNDS PER HOUR FROM THE SAME CARCINOGEN.

25 KAISER CEMENT IS ON THE EDGE OF THEIR



1 SEAT WAITING FOR YOU TO PASS THIS RESOLUTION.

2 CHAIRMAN PENNINGTON: EXCUSE ME YOU SAID?

3 .8.

4 MR. BRAND: YES. THESE ARE EXPONENTIAL

5 NOTATION.

6 CHAIRMAN PENNINGTON: LOOKS LIKE THE POINT IS

7 AFTER THE EIGHT TO ME.

8 MR. BRAND: YEAH. THAT'S EXPONENTIAL

9 NOTATION. 8.2 TIMES 10 TO THE MINUS 2 IS THE SAME AS

10 .082.

11 CHAIRMAN PENNINGTON: OKAY.

12 BOARD MEMBER RELIS: COULD I JUST ASK YOU A

13 QUESTION? WHEN YOU REFER TO RESOLUTION, WHICH -- WHAT

14 ARE WE REFERRING TO NOW ARE YOU REFERRING TO THE ONE

15 THAT HAD BEEN IN THE PACKET OR THE ONE BEFORE YOU?

16 MR. BRAND: I'M TALKING ABOUT THE DAMES &

17 MOORE REPORT.

18 BOARD MEMBER RELIS: YOU MADE MENTION THAT

19 KAISER IS WAITING FOR YOU TO PASS THIS RESOLUTION.

20 MR. BRAND: I DON'T BELIEVE THEY CARE BECAUSE

21 I THINK BOTH OF THEM THAT I'VE SEEN HAVE THE SAME

22 EFFECT.

23 BOARD MEMBER RELIS: I DON'T KNOW WHAT -- THEY

24 BOTH HAVE THE --

25 MR. BRAND: RESOLUTION IS DIFFERENT, BUT WHAT





1 YOUR STAFF INTENDS TO DO WITH IT IS EXACTLY THE SAME. I  
2 HAVEN'T SEEN ANY DIFFERENCE. YOU ARE GOING TO DO  
3 WORKSHOPS, YOU'RE GOING TO STREAMLINE THE PERMITTING  
4 PROCESS. EVERYTHING IS THE SAME. THERE IS NO  
5 DIFFERENCE.

6 BOARD MEMBER RELIS: STREAMLINE THE PERMITTING  
7 PROCESS? WE'RE GOING TO DO THAT?

8 MR. BRAND: WELL, YOU -- WHY DON'T YOU ASK  
9 THESE QUESTIONS AT THE END OF MY PRESENTATION BECAUSE  
10 WHAT MY PRESENTATION IS ABOUT REALLY IS THE DAMES &  
11 MOORE REPORT AND HOW COMPLETELY INACCURATE IT IS.  
12 MY POINT HERE IS THAT THE KAISER CEMENT  
13 EMISSIONS WERE EFFECTIVELY ELIMINATED FROM THIS ENTIRE  
14 REPORT. I CAN'T EVEN CHECK THE OTHER ENTRIES FOR OTHER  
15 FACILITIES WHOSE EMISSIONS ARE SUPPOSEDLY IN THESE  
16 TABLES BECAUSE I DO NOT HAVE ACCESS TO THE RAW DATA,  
17 BUT I THINK THE NOX EMISSIONS ARE RIDICULOUSLY LOW FOR  
18 THE MITSUBISHI CEMENT PLANT. TWENTY POUNDS PER HOUR IS  
19 SIMPLY NOT POSSIBLE FOR A KILN SIMILAR IN SIZE TO  
20 KAISER CEMENT. SOMEBODY NEEDS TO CHECK THESE NUMBERS.  
21 THE SECOND PROBLEM IS EQUALLY DISTURBING  
22 AND CAN BE EASILY SPOTTED BY ANYONE WITH THE ABILITY TO  
23 SUBTRACT ONE NUMBER FROM ANOTHER. APPARENTLY DAMES &  
24 MOORE HAS MADE A GLOBAL ERROR IN THEIR SPREADSHEET  
25 FORMULAS.



1 THAT'S A LITTLE HARD TO SEE. YOU CAN  
2 FOLLOW ALONG IF YOU HAVE THE APPENDIX. NOTE IN THE  
3 FIRST COLUMN, THE NUMBERS THAT I'VE CIRCLED, THAT 4.6  
4 MINUS 8.65 SHOULD EQUAL MINUS 4.05, NOT 2.75 AS SHOWN.  
5 THEY HAVE SUBTRACTED THE BASELINE CARBON MONOXIDE  
6 EMISSIONS FROM TDF NOX EMISSIONS. THIS IDENTICAL  
7 BLUNDER OF SUBTRACTING APPLES FROM ORANGES HAS BEEN  
8 REPEATED FOR EVERY SINGLE CRITERIA POLLUTANT AND  
9 FACILITY ACROSS THE BOARD. ON ALL PAGES -- SIX PAGES  
10 OF TABLES AND ALL SIX PAGES OF GRAPHS FROM APPENDIX B,  
11 THE FIGURES AND THE DATA IS INCORRECT. IN ADDITION,  
12 THE FIVE GRAPHS THAT WERE SHOWN HERE TODAY BY MARTHA  
13 GILDORT, NOX, SOX, --  
14 MS. GILDART: GILDART, GET MY NAME RIGHT.  
15 MR. BRAND: I'M SORRY. WHAT IS IT?  
16 MS. GILDART: DART, A-R-T.  
17 MR. BRAND: THAT'S WHAT I SAID. IT'S THE  
18 MICROPHONE. I APOLOGIZE THEN.  
19 CARBON MONOXIDE, PARTICULATE MATTER, AND  
20 PM-10 WERE ALL COMPLETELY IN ERROR. I ASSUME THE IWMB  
21 STAFF BELIEVED TDF IS A GOOD SOLUTION, BUT I BELIEVE  
22 THAT WAS A PREDRAWN CONCLUSION.  
23 APPENDIX B IN ALL ITS UNTOUCHABLE  
24 SCIENTIFIC GLORY IS GOOD FOR ONE THING ONLY, AND THAT  
25 IS THE RECYCLING BIN. THE IWMB TRIED TO RAILROAD THIS



1 RESOLUTION THROUGH; AND IF IT HADN'T BEEN FOR OUR  
2 LEGISLATORS, THE HONORABLE BYRON SHER AND JIM CUNEEN,  
3 WHO CAME TO OUR RESCUE, WE WOULD NOT HAVE BEEN ABLE TO  
4 ATTEND THE FIRST BOARD MEETING TO KEEP IT AT BAY. YOU  
5 DELAYED SENDING US THE BODY OF THE REPORT UNTIL AFTER  
6 THAT MEETING AND THEN FAILED TO SEND THE APPENDICES  
7 WHICH FORM AN INTEGRAL PART OF ANY REPORT. WHEN I  
8 CALLED TO GET THESE APPENDICES, I WAS FIRST TOLD THAT I  
9 WOULD HAVE TO TAKE A DAY OFF WORK, DRIVE UP HERE, AND  
10 PHOTOCOPY EVERY SINGLE PAGE MYSELF. WHEN I EXPRESSED A  
11 DIM VIEW OF THAT OPTION BUT SAID THAT I WOULD DO JUST  
12 THAT IF I HAD TO, I WAS FINALLY PROMISED THE  
13 APPENDICES, BUT THEY NEVER ARRIVED.

14 MS. TRGOVCICH: I NEED TO INTERRUPT HERE. AS  
15 STAFF, I NEED TO RESPOND THAT WE RECEIVED A REQUEST. WE  
16 INFORMED MR. BRAND OF WHAT THE NORMAL PROCESS FOR  
17 GETTING A THOUSAND-PAGE DOCUMENT WOULD BE. WE MADE THE  
18 DECISION WITHIN HOURS TO PROVIDE HIM THAT COPY. I  
19 BELIEVE IT WAS SENT FIRST OVERNIGHT. NO, ORIGINALLY  
20 PERHAPS NOT. WE PROVIDED A COPY. WHEN HE CALLED UP TO  
21 SAY HE DIDN'T GET IT, WE THEN SENT A SUBSEQUENT COPY.  
22 WE HAVE THREE COPIES IN HOUSE OF THE APPENDICES. WE  
23 SENT HIM TWO OF THE 1,000-PAGE APPENDICES. THE SECOND  
24 COPY WAS SENT OVERNIGHT MAIL. WE RESPONDED WITHIN  
25 HOURS OF EACH OF HIS REQUESTS.



1 MR. BRAND: I THINK THAT'S ACCURATE. THAT'S  
2 EXACTLY WHAT I JUST SAID.

3 CHAIRMAN PENNINGTON: SURE DIDN'T SOUND  
4 LIKE --

5 MR. BRAND: THEN I'LL REPEAT THE WHOLE  
6 SENTENCE AND YOU CAN LISTEN TO IT BECAUSE I HADN'T  
7 FINISHED YET. THERE'S MORE COMING. THEY NEVER ARRIVED  
8 AND I WOULD STILL NOT HAVE EVER GOTTEN THEM IF IT HAD  
9 NOT BEEN FOR THE HONORABLE DEBORAH BOWEN.

10 CHAIRMAN PENNINGTON: IF YOU ARE JUST HERE TO  
11 INSULT US AND STAFF --

12 MR. BRAND: I'M SORRY. I DON'T MEAN TO BE  
13 CONFRONTATIONAL. I'M NOT A POLITICIAN; I'M AN  
14 ENGINEER, AND I JUST TELL IT THE WAY I SEE. AND I  
15 THINK IT'S REALLY IMPORTANT. I THINK THE MESSAGE THAT  
16 I HAVE TODAY IS WAY MORE IMPORTANT THAN HOW IT'S  
17 DELIVERED.

18 CHAIRMAN PENNINGTON: WE'RE NOT INTERESTED IN  
19 YOU INSULTING OUR STAFF.

20 MR. BRAND: I'M TELLING IT THE WAY THAT IT  
21 HAPPENED.

22 CHAIRMAN PENNINGTON: APPARENTLY YOU ARE NOT.

23 MS. TRGOVCICH: WOULD YOU LIKE THE OVERNIGHT  
24 CERTIFIED MAIL RECEIPTS PERHAPS ON THE DOCUMENTED TIMES  
25 OF YOUR PHONE CALLS TO SEE HOW QUICKLY THE TURNAROUNDS



1 WERE?

2 MR. BRAND: THE TURNAROUND TIME AFTER MY  
3 POLITICIANS CONTACTED YOU WAS VERY QUICK. I GOT THREE  
4 OR PHONE CALLS AT HOME. OF COURSE, I WAS AT WORK ALL  
5 DAY.

6 MS. TRGOVCICH: YOU WOULD NOT PROVIDE US WITH  
7 YOUR WORK NUMBER OR YOUR BUSINESS ADDRESS ON THE FIRST  
8 REQUEST.

9 MR. BRAND: MARTHA HAD MY WORK NUMBER. I  
10 TALKED TO HER MANY TIMES FROM THAT NUMBER.

11 CHAIRMAN PENNINGTON: LET'S LET HIM FINISH.

12 MR. BRAND: I THINK THAT WOULD BE  
13 APPROPRIATE.

14 CHAIRMAN PENNINGTON: THANK YOU.

15 MR. BRAND: AFTER FINALLY SEEING THESE  
16 APPENDICES ONLY DAYS BEFORE THIS HEARING, IT IS CLEAR  
17 TO ME THAT NO ONE EVER LOOKED AT THEM AND SOMEBODY  
18 DIDN'T WANT ME TO SEE THEM EITHER. FRANKLY, YOUR STAFF  
19 SHOULD HAVE CHECKED THIS REPORT. AND THE REPORT WAS  
20 SUPPOSEDLY REVIEWED BY CARB NOT ONCE, BUT TWICE. WE  
21 ASKED TO BE MADE PART OF THE PEER REVIEW PROCESS, BUT  
22 YOU IGNORED US. THERE CAN BE LITTLE DOUBT THAT YOUR  
23 PEER REVIEW PROCESS IS A RUBBER STAMP TO FURTHER YOUR  
24 TIRE BURNING OBJECTIVES WHICH WOULD OTHERWISE BE FOUND  
25 TO FAIL THE REQUIREMENTS OF YOUR MISSION STATEMENT



1 MANDATED BY LAW. AND THE SAME REVIEW PROCESS WAS USED  
2 TO DISCREDIT THE HONEST AND OBJECTIVE REPORT BY A  
3 COLLEGE PROFESSOR AT UC DAVIS.  
4 THE DAMES & MOORE REPORT IS FATALLY  
5 FLAWED AND CANNOT BE USED. FURTHERMORE, THE PROCESS BY  
6 WHICH THE REPORTS LIKE THIS ARE APPROVED BY THIS AGENCY  
7 IS IN A STATE OF UTTER DISARRAY AND WILL REQUIRE A  
8 COMPLETE RESTRUCTURING TO ENSURE THE FUTURE INTEGRITY  
9 OF A SYSTEM TO COLLECT RELIABLE, OBJECTIVE DATA TO BE  
10 USED AS A BASIS FOR RATIONAL DECISIONS AND PROBLEM  
11 SOLVING. THIRTY MILLION OF US ARE COUNTING ON IT.  
12 I AM ABSOLUTELY CONVINCED THAT THE IWMB  
13 HAS BEEN MISLED AS TO THE SAFETY OF TIRE BURNING. THAT  
14 CONCLUDES MY COMMENTS. IF YOU HAVE ANY QUESTIONS.

15 BOARD MEMBER JONES: I JUST HAVE ONE THING TO  
16 SAY. IT MAY HAVE BEEN THE SPEAKER BEFORE THAT SAID  
17 THAT THEY HAD NEVER HEARD OF THE WASTE BOARD. JUST SO  
18 YOU KNOW, THE NOTIFICATION THAT WENT OUT FOR THE FIRST  
19 POLICY ISSUE CAME OUT OF MY OFFICE TO MAKE SURE YOU  
20 GUYS WERE CONTACTED. DIDN'T COME FROM ANYWHERE ELSE,  
21 CAME FROM OUR OFFICES TO MAKE SURE AS AN INTERESTED  
22 PARTY THAT YOU WERE GIVEN THE INFORMATION. AND --

23 MR. BRAND: I GOT A LETTER FROM YOU THAT SAID  
24 I WAS NOTIFIED. IS THAT THE ONE YOU ARE TALKING ABOUT?

25 BOARD MEMBER JONES: YEAH. WHAT I'M SAYING IS



1 I HEARD A REFERENCE THAT THE HONORABLE LEGISLATORS IN  
2 YOUR AREA GOT YOU INTO THIS MEETING. AND JUST WANTED  
3 TO LET YOU KNOW THAT CAME FROM HERE.

4 MR. BRAND: NO, THAT'S NOT WHAT I MEANT BY  
5 THAT. LET ME CLARIFY.

6 BOARD MEMBER JONES: WE WERE THE ONES THAT  
7 NOTIFIED EVERYBODY.

8 MR. BRAND: I CAN CLARIFY THAT.

9 BOARD MEMBER JONES: I THINK THAT'S IMPORTANT  
10 BECAUSE EVERYTHING GETS TWEAKED.

11 CHAIRMAN PENNINGTON: OKAY. ARE YOU THROUGH?

12 MR. BRAND: I GUESS I DIDN'T UNDERSTAND THAT  
13 POSSIBLY. WHAT I'M SAYING IS THAT WE GOT NOTICE OF  
14 THAT MEETING LIKE TWO DAYS BEFORE THE HEARING, AND  
15 THERE WAS NO WAY THAT WE COULD GET UP HERE.

16 BOARD MEMBER JONES: THAT WAS THE SEPTEMBER  
17 MEETING.

18 THE REPORTER: EXCUSE ME. WE MUST DO THIS ONE  
19 AT A TIME FOR THE RECORD.

20 MR. BRAND: I THINK I'VE MADE IT CLEAR. DOES  
21 ANYONE HAVE ANY OTHER QUESTIONS OF SUBSTANCE?

22 BOARD MEMBER JONES: NO.

23 CHAIRMAN PENNINGTON: CERTAINLY NOT THE HENRY  
24 KISSINGER APPROACH, IS IT? DONNA GHOUL.

25 MS. GHOUL: MY NAME IS DR. DONNA GHOUL. I'VE



1 LIVED WITH MY HUSBAND AND TWO CHILDREN FOR 18 YEARS IN  
2 CUPERTINO WHERE I ALSO PRACTICE DENTISTRY. I'M ALSO A  
3 MEMBER OF THE WEST VALLEY CITIZENS AIR WATCH.  
4 AS YOU KNOW FROM THE PREVIOUS PRESENTA-  
5 TIONS, OUR CITIZENS GROUP HAS REVIEWED THE DAMES &  
6 MOORE REPORT AND FOUND IT TO BE NOT CREDIBLE. OUR  
7 DETAILED SIX-PAGE CRITIQUE OF THE REPORT HAS BEEN SENT  
8 TO THE CHAIRMAN AND OTHER BOARD MEMBERS. BUT IN  
9 PREPARING OUR TESTIMONY FOR YOU TODAY, WE ALSO WERE  
10 AWARE THAT OUR OBJECTIVITY MIGHT BE QUESTIONED BY THE  
11 BOARD.  
12 THEREFORE, SINCE THE BOARD HAD REQUESTED  
13 CARB TO PERFORM A PEER REVIEW ON THE DAMES & MOORE  
14 REPORT, WE DECIDED TO DO SOMETHING SIMILAR. WE FORMED  
15 A PANEL OF SEVEN PH.D.'S IN THE PHYSICAL SCIENCES, A  
16 CITIZENS INDEPENDENT PEER REVIEW BOARD, AND WE ASKED  
17 THEM TO EVALUATE THIS REPORT ON ITS MERITS. WE DID NOT  
18 ASK THEM TO MAKE A JUDGMENT ON WHETHER OR NOT OR  
19 WHETHER TIRE BURNING WOULD BE HAZARDOUS TO OUR HEALTH.  
20 WE ONLY ASKED THEM THAT THEY EVALUATE THE SCIENTIFIC  
21 CREDIBILITY AND USEFULNESS OF THE DAMES & MOORE REPORT.  
22 COPIES OF THE REPORT, NOT INCLUDING THE  
23 APPENDICES, WHICH WE RECEIVED LATE, WERE SENT TO EIGHT  
24 EXPERIMENTAL SCIENTISTS FROM AROUND THE UNITED STATES.  
25 THEY HOLD DOCTORATE DEGREES IN VARIOUS DISCIPLINES:





1 METALLURGY, HUMAN FACTORS, PHYSICS, CHEMISTRY,  
2 GEOCHEMISTRY, BIOCHEMISTRY, NEUROBIOLOGY, TOXICOLOGY.  
3 TOGETHER THEY HAVE PUBLISHED SEVERAL BOOKS AND A TOTAL  
4 OF OVER 500 SCIENTIFIC PAPERS IN PEER REVIEW JOURNALS.  
5 THEIR CURRICULUM VITAE INCLUDE DIRECTOR  
6 OF BIOCHEMICAL PHARMACOLOGY PROGRAM AT STANFORD  
7 RESEARCH INTERNATIONAL, SRI INTERNATIONAL; PROFESSOR OF  
8 BIOLOGY, ARIZONA STATE UNIVERSITY; SENIOR SCIENTIST,  
9 ARGON NATIONAL LABORATORY; RESEARCH CHEMIST, U.S.  
10 GEOLOGICAL SURVEY; PRINCIPAL SCIENTIST AT THE ANA KAPPA  
11 SCIENCES INCORPORATED; STAFF SCIENTIST, NATIONAL BUREAU  
12 OF STANDARDS; STAFF TOXICOLOGIST WITH THE OFFICE OF  
13 ENVIRONMENTAL HEALTH HAZARD ASSESSMENT; CAL-EPA, ALSO A  
14 MEMBER OF NAPAP INTERAGENCY COMMITTEE REPORTING TO  
15 CONGRESS ON THE TITLE 4 OF THE 1990 CLEAN AIR ACT; AN  
16 EDITOR OF SPECTRO CHEMICA ACTA; EDITOR OF TREATISE ON  
17 ANALYTICAL CHEMISTRY, FULBRIGHT SCHOLAR, GILBERT  
18 FELLOWSHIP, FELLOW AT STANFORD UNIVERSITY. NONE OF  
19 THEM HAVE EVER BEEN MEMBERS OF WEST VALLEY CITIZENS AIR  
20 WATCH, NOR HAVE THEY RECEIVED REMUNERATION OR OTHER  
21 CONSIDERATION FOR THEIR EFFORTS.  
22 WITH ONE EXCEPTION, ALL REVIEWERS HAD NO  
23 PRIOR POSITION ON TIRE BURNING. THEY ALL GAVE US  
24 PERMISSION TO QUOTE THEM AND TO ENTER THEIR STATEMENTS  
25 INTO THE PUBLIC RECORD OF THIS HEARING.



1 IN ADDITION TO COPIES OF THE DAMES &  
2 MOORE REPORT, WE ALSO PROVIDED THEM WITH OUR CRITIQUE  
3 AND A SURVEY DOCUMENT TO AID IN QUANTIFYING THEIR  
4 ASSESSMENT OF THE REPORT. SEVEN OF THE EIGHT WE  
5 CONTACTED COMPLETED AND RETURNED THE SURVEY FORM. MOST  
6 OF THEM ALSO ADDED THEIR OWN COMMENTS. ONE PREFERRED  
7 TO RESPOND ONLY WITH A LETTER, AND NOT ALL OF THE  
8 SCIENTISTS RESPONDED TO EACH STATEMENT.  
9 WE'RE PROVIDING FOR THE RECORD COMPLETE  
10 COPIES OF ALL THE SURVEYS AND THE COMMENTS THAT WE  
11 RECEIVED. THE SURVEY IS IN THE FORM OF 15 STATEMENTS.  
12 THE REVIEWERS HAD THE CHOICE OF RESPONDING STRONGLY  
13 DISAGREE, DISAGREE, AGREE, OR STRONGLY AGREE. IN EACH  
14 CASE THE AGREEMENT ALWAYS INDICATES AGREEMENT WITH WEST  
15 VALLEY CITIZENS AIR WATCH CRITIQUE ON THE PARTICULAR  
16 ISSUE.  
17 WHAT FOLLOWS IS A SUMMARY OF THE  
18 STATEMENTS AND THEIR RESPONSES. FIRST SECTION OF THE  
19 CRITIQUE OF THE REVIEW CONSISTED OF 11 STATEMENTS  
20 CONCERNING THE COLLECTION AND PROCESSING OF THE DATA.  
21 MANY OF THE OBJECTIONS THAT WERE -- THAT MORGAN HOFF  
22 BROUGHT FORWARD IN OUR CRITIQUE WERE ASKED IN THESE  
23 STATEMENTS -- WERE ADDRESSED IN THESE STATEMENTS.  
24 THESE YOU CAN REVIEW ON YOUR OWN TIME AS IT'S GETTING  
25 LATE. A TALLY OF THE RESPONSES REVEALED THAT OUT OF A



1 TOTAL OF 67 RESPONSES TO THESE 11 DIFFERENT STATEMENTS,  
2 THERE WERE TWO DISAGREEMENTS, 19 AGREEMENTS, AND 46  
3 STRONG AGREEMENTS WITH WEST VALLEY CITIZENS AIR WATCH.  
4 THIS MEANS THAT MANY OF THE OBJECTIONS THAT MORGAN  
5 RAISED IN THE BODY OF THE DAMES & MOORE REPORT WERE  
6 VALIDATED BY THESE SCIENTISTS.  
7 THE SECOND SECTION CONSISTS OF FOUR  
8 SUMMARY STATEMENTS WHICH YOU AS PUBLIC SERVANTS  
9 ENTRUSTED WITH OUR HEALTH AND SAFETY MUST SURELY GIVE  
10 ALL DUE CONSIDERATION.  
11 STATEMENT 12, THE DAMES & MOORE REPORT  
12 DID NOT CONVINCE ME OF THE SAFETY OF TIRES AS A FUEL  
13 SOURCE. SIX OUT OF SIX STRONGLY AGREE.  
14 STATEMENT 13, THE DAMES & MOORE REPORT  
15 DID NOT CONVINCE ME THAT POLLUTANT EMISSIONS DID NOT  
16 INCREASE WHEN TIRES WERE ADDED AS A FUEL SUPPLEMENT.  
17 ONE AGREEMENT AND FIVE STRONGLY AGREEING.  
18 STATEMENT 14, A REPORT OF THE QUALITY OF  
19 DAMES & MOORE WOULD BE UNACCEPTABLE IN MY PROFESSION.  
20 SIX OUT OF SIX STRONGLY AGREE.  
21 STATEMENT 15, IF IT WERE MY RESPONSI-  
22 BILITY TO MAKE A VERY IMPORTANT DECISION WITH  
23 WIDE-RANGING IMPLICATIONS FOR THE HEALTH OF MILLIONS OF  
24 CALIFORNIA CITIZENS BASED ON THE DAMES & MOORE REPORT,  
25 I WOULD NOT BE ABLE TO DO SO. SEVEN OUT OF SEVEN



1 STRONGLY AGREE.

2 I ASK YOU TO REMEMBER WHO THESE

3 RESPONDENTS ARE, PH.D. SCIENTISTS FROM INSTITUTIONS

4 LIKE SRI INTERNATIONAL, ARGON NATIONAL LAB, NATIONAL

5 BUREAU OF STANDARDS, PEOPLE WHO ARE DEDICATED TO

6 EXPANDING KNOWLEDGE THROUGH THE SCIENTIFIC PROCESS.

7 THEY DO NOT FIND DAMES & MOORE CONVINCING. THEY

8 UNANIMOUSLY ASSERT THAT A REPORT OF THE QUALITY OF

9 DAMES & MOORE WOULD BE UNACCEPTABLE IN THEIR

10 PROFESSION. THEY SAY THEY WOULD NOT BE ABLE TO MAKE A

11 VERY IMPORTANT DECISION, THE DECISION, THE VERY

12 DECISION THAT EACH OF YOU IS CHARGED WITH MAKING ON

13 RESOLUTION 98-03 BASED ON THE DAMES & MOORE REPORT.

14 SINCE THIS REPORT IS THE ONLY DOCUMENT

15 THAT WE ARE AWARE OF THAT THE BOARD POSSESSES THAT EVEN

16 OBLIQUELY ADDRESSES HEALTH RISK ASSESSMENT AND SINCE

17 YOUR MISSION STATEMENT REQUIRES THAT YOU CONSIDER THE

18 HEALTH AND ENVIRONMENTAL EFFECTS OF ALL YOUR ACTIONS,

19 REQUEST THAT YOU TAKE THE OPINIONS OF OUR PANEL TO

20 HEART AND VOTE IN OPPOSITION TO RESOLUTION 98-03 AND TO

21 ANY RESOLUTION THAT SUPPORTS THE USE OF TIRES AS FUEL

22 IN CEMENT KILNS AND COAL-FIRED COGENERATION PLANTS.

23 IN ADDITION, I ADVISE THE BOARD TO DEMAND

24 A FULL REFUND FROM DAMES & MOORE. AND FURTHERMORE,

25 THERE IS ONE OTHER UNRESOLVED ISSUE. CARB PERFORMED



1 ITS PEER REVIEW AND SEEMS TO HAVE FOUND DAMES & MOORE  
2 TO BE ACCEPTABLE. THIS IS GROSSLY AT ODDS WITH THE  
3 SEVEN PH.D.'S IN OUR PANEL, AND IT GOES BEYOND ANY  
4 UNDERSTANDABLE RANGE OF A PROFESSIONAL OPINION.  
5 THEREFORE, I URGE YOU TO LAUNCH AN INVESTIGATION INTO  
6 HOW CARB REACHED ITS SINGULAR AND SUSPECT CONCLUSIONS.  
7 AND I ASSURE YOU THAT IF THE WASTE MANAGEMENT BOARD  
8 DOES NOT INITIATE SUCH AN INVESTIGATION, WVCAW WILL BE  
9 HAPPY TO DO SO THROUGH SEVERAL ELECTED OFFICIALS.  
10 THANK YOU.

11 CHAIRMAN PENNINGTON: QUESTION. THE REPORT  
12 YOU ARE GOING TO GIVE US OF THESE SEVEN PROFESSORS,  
13 DOES IT NAME WHO THESE PROFESSORS ARE?

14 MS. GHOUL: OH, YES. ONE OF THEM PREFERRED TO  
15 REMAIN ANONYMOUS BECAUSE HE IS WITH THE GOVERNMENT. I  
16 DON'T KNOW WHY, BUT WE RESPECT -- WE WILL PROVIDE  
17 YOU -- HE HAS A FULL PAGE CV. MAYBE IF YOU DID A  
18 LITTLE DETECTIVE WORK, YOU COULD FIGURE OUT WHO IT IS,  
19 BUT - -

20 BOARD MEMBER RELIS: ARE YOU PASSING THAT OUT  
21 NOW?

22 MS. GHOUL: WE HAVE COPIES, RIGHT? DO WE HAVE  
23 TO MAIL THEM IN? OVERNIGHT MAIL.

24 CHAIRMAN PENNINGTON: HOW BIG OF A REPORT IS  
25 IT?



1 MS. GHOUL: OH, THE LIST OF PEOPLE. OKAY. IT  
2 BET IT'S IN YOUR CAR, MORGAN. I CAN BRING IT. I CAN  
3 GET IT.

4 UNIDENTIFIED SPEAKER: EIGHT-PAGE, SURVEY  
5 ITSELF IS A ROUGHLY SEVEN-PAGE DOCUMENT, AND THEN  
6 COMMENTS FROM EACH PERSON AVERAGE PROBABLY A PAGE OR  
7 TWO. SO OVERALL IT'S ABOUT 60 PAGES OF MATERIAL.

8 BOARD MEMBER RELIS: I'M JUST CURIOUS SINCE  
9 THERE DOESN'T SEEM TO BE A LOT OF FAITH FROM OUR  
10 SIDE -- YOU IN OUR SIDE OF THINGS OR OUR DELIBERATIONS  
11 HERE, WHY DIDN'T YOU JUST BRING THAT WITH YOU AND SHARE  
12 IT WITH US?

13 MS. GHOUL: I HAVE IT IN MY CAR. I'LL GO GET  
14 IT RIGHT NOW. BY THE END OF THE MEETING, I'LL HAVE IT  
15 IN YOUR HANDS.

16 CHAIRMAN PENNINGTON: WAIT A MINUTE. WE NEED  
17 ONLY ONE PERSON AT A TIME.

18 MS. GHOUL: I'M DONE. ANY MORE QUESTIONS?

19 MS. GILDART: ONE QUESTION. THE REPORT THAT  
20 YOU SHARED WITH YOUR REVIEW PANEL, WAS THAT THE JUNE  
21 VERSION OR THE OCTOBER VERSION OF THE DAMES & MOORE  
22 REPORT?

23 MS. GHOUL: OCTOBER, BUT WITHOUT THE  
24 APPENDICES. ANY MORE QUESTIONS?

25 CHAIRMAN PENNINGTON: THANK YOU. NEXT IS



1 JOYCE EDEN.

2 MS. EDEN: THANK YOU. IS THIS ALL RIGHT?

3 THANK YOU FOR THIS OPPORTUNITY TO ADDRESS YOU. I DID

4 WANT TO JUST CLARIFY ABOUT WE DON'T HAVE THE REPORT

5 BECAUSE OF THE TIME PERIOD INVOLVED IN TRYING TO GET

6 ALL THIS TOGETHER WAS VERY SHORT, AND WE JUST DIDN'T

7 HAVE TIME TO DO IT. SO WE WILL SEND IT.

8 BOARD MEMBER RELIS: IT WAS JUST A STRAIGHT

9 QUESTION. I'M NOT IMPUGNING --

10 MS. EDEN: YES, WE ABSOLUTELY WOULD HAVE

11 PREFERRED TO HAVE IT HERE, ABSOLUTELY, BECAUSE THIS IS

12 EXACTLY WHAT WE WANTED YOU TO SEE AND BE ABLE TO READ.

13 OKAY. MY NAME IS JOYCE EDEN, AND I AM

14 WITH WEST VALLEY CITIZENS AIR WATCH. AND I'M READING A

15 FEW COMMENTS ON THE SURVEY THAT WERE RETURNED BY THE

16 PANEL OF PH.D.'S THAT DONNA HAS JUST TALKED TO YOU

17 ABOUT. SOME OF THESE COMMENTS ARE SUCCINCT, AND

18 ACTUALLY THERE'S EVEN A LITTLE HUMOR. WE WOULD LIKE TO

19 MAKE ORAL PUBLIC TESTIMONY AT THIS TIME.

20 CHAIRMAN PENNINGTON: WE CERTAINLY NEED A

21 LITTLE HUMOR.

22 MS. EDEN: IT'S ONLY A LITTLE, HOWEVER. DR.

23 JERRY -- I HAVE COMMENTS FROM EACH -- FROM SOME OF THE

24 INDIVIDUALS. DR. JERRY WEISS, AND THESE ARE ALL

25 QUOTES. FRANKLY, AFTER -- ACTUALLY I HAVE SOME OF THE



1 NAMES RIGHT HERE, NOT ALL OF THEM.  
2 FRANKLY, AFTER READING THE REPORT, I WAS  
3 FIRST STRUCK BY THE THOUGHT THAT I HAD BEEN SENT THE  
4 EDUCATIONAL BROCHURE BY MISTAKE. THE REPORT IS SO  
5 IMPRECISE IN ITS EXPLANATIONS OF ITS METHODOLOGY AND  
6 DRAWS SO MANY UNSUPPORTED GRATUITOUS CONCLUSIONS THAT  
7 IT SEEMS MORE LIKE A PUBLIC RELATIONS PRESS RELEASE  
8 THAN AN ACTUAL SCIENTIFIC REPORT. IT IS IMPOSSIBLE TO  
9 DETERMINE THE VALIDITY OF THE ANALYSIS BECAUSE IT IS  
10 NOT CLEARLY DEFINED. ITS APPROPRIATENESS FOR THIS  
11 DATABASE IS NOT SUPPORTED. IT IS NOT CONSISTENTLY  
12 APPLIED, AND IT DOESN'T APPEAR TO DRAW MEANINGFUL OR  
13 VALID CONCLUSIONS.

14 DR. ROBERT HOWD: THE DATA MADE AVAILABLE  
15 IN THIS REPORT ARE INADEQUATE TO SUPPORT ANY CONCLUSION  
16 AS TO THE IMPACT ON EMISSIONS THROUGH THE USE OF TIRE-  
17 DERIVED FUEL.

18 DR. RICHARD SATTERLY, LACK OF KNOWLEDGE  
19 CONCERNING THE PROPORTION OF TIRE FUEL TO PRIMARY FUEL  
20 IS IN ITSELF A FATAL FLAW IN THE REPORT. SINCE THE  
21 REPORT POOLS SUCH A VARIABLE DATA SET AND THE STANDARD  
22 DEVIATIONS ARE ABSOLUTELY HUGE, STATISTICAL  
23 SIGNIFICANCE IN ANY TEST IS A VIRTUAL IMPOSSIBILITY.  
24 THEREFORE, ACROSS THE BOARD APPROVAL BASED ON THE  
25 REPORT WOULD NOT BE A SCIENTIFICALLY SOUND ACTION. I





1 THINK I'LL REPEAT THAT. THEREFORE, ACROSS THE BOARD  
2 APPROVAL BASED ON THE REPORT WOULD NOT BE A  
3 SCIENTIFICALLY SOUND ACTION AND COULD BE QUITE  
4 DANGEROUS FOR SOME POPULATION CENTERS.  
5 DR. PAUL OKIMOTO, ALTHOUGH THE DATA IN  
6 TABLE 4-1 ON WHICH THE DAMES & MOORE REPORT IS BASED  
7 ARE VOLUNTARY SUBMISSIONS FROM FACILITIES WITH VESTED  
8 ECONOMIC INTERESTS IN PROMOTING TIRE BURNING, NO  
9 ATTEMPT WAS MADE TO DETERMINE WHETHER OR NOT THE DATA  
10 IS UNBIASED. HOWEVER, EVEN IF UNFAVORABLE DATA WERE  
11 NOT WITHHELD, THE QUALITY OF THE DATA IN TABLE 4-1 IS  
12 SO POOR THAT ANY RELATIVE COMPARISON OF TOXIC EMISSIONS  
13 WITH AND WITHOUT TDF BASED SOLELY ON TABLE 4-1 WILL BE  
14 STATISTICALLY MEANINGLESS. TO MAKE MATTERS WORSE,  
15 DAMES & MOORE ASSUME THAT ALL OF THE PARAMETERS USED IN  
16 RISK ASSESSMENT ARE THE SAME FOR THE BASELINE AND TDF  
17 CONDITION AND THAT THE ONLY DIFFERENCE IS THE EMISSION  
18 RATE. THERE IS NO EVIDENCE THAT THIS KEY ASSUMPTION IS  
19 TRUE.  
20 DR. STEVEN CASEY, I REGULARLY REVIEW  
21 RESEARCH REPORTS SUBMITTED FOR PUBLICATION IN REPUTABLE  
22 SCIENTIFIC JOURNALS. THIS REPORT SIMPLY DOES NOT, AND  
23 HE UNDERLINED THIS TWICE, PROVIDE A SCIENTIFICALLY  
24 DERIVED ANSWER TO THE HYPOTHESES PRESENTED AT THE  
25 OUTSET. THE STUDY IS SUCH THAT NO VALID AND RELIABLE



1 CONCLUSIONS CAN BE DRAWN FROM THE RESULTS.  
2 DR. JACK PETERS, NOWHERE IN THE REPORT IS  
3 THERE ANY ATTRIBUTION AS TO WHO DID THE REPORT. WE DO  
4 NOT KNOW WHO DID THE RESEARCH, WHO COMPILED THE RESULTS  
5 AND THE STATISTICS, AND WHO WROTE THE REPORT, AND WHAT  
6 THEIR QUALIFICATIONS WERE. THE BOARD SHOULD HIRE AN  
7 INDEPENDENT GROUP LIKE SRI INTERNATIONAL OR THE LIKE TO  
8 EVALUATE THIS REPORT. I STRONGLY RECOMMEND THAT DAMES  
9 & MOORE CHANGE THEIR NAME TO DAMES & LESS.  
10 WE OFFERED THIS INFORMATION FOR YOUR --  
11 THESE ARE MY WORDS NOW. THANK YOU. WE OFFER THIS  
12 INFORMATION TO YOU TO MAKE THE RIGHT DECISION.  
13 HOWEVER -- OKAY. NOT HOWEVER. WE OPPOSE ANY  
14 RESOLUTION THAT SUPPORTS TIRE BURNING. HOWEVER, WE  
15 ALSO WANT YOU TO KNOW THAT THIS IS ONLY THE BEGINNING  
16 OF OUR CAMPAIGN AGAINST ANY AIR POLLUTING POLICY.  
17 THANK YOU.

18 CHAIRMAN PENNINGTON: THANK YOU. MARYLIN  
19 MCCARTHY.

20 MS. MCCARTHY: MY NAME IS MARYLIN MCCARTHY,  
21 M-A-R-Y-L-I-N. THANKS, DAD. WOULDN'T YOU JUST LOVE A  
22 BIG CRUNCHY SALAD RIGHT NOW AND WANT TO GO HOME HAVE  
23 SOME PASTA? I DO.  
24 I WANT THE RECORD TO SHOW THAT I BUY TEN  
25 QUARTS OF MILK A WEEK IN GLASS BOTTLES. I DO NOT



1 CONTRIBUTE TO THE HDPE ISSUE.  
2 I LIVE IN SANTA CLARA VALLEY. AND THIS  
3 PAST YEAR HAS BEEN ONE OF REVELATION FOR THE SOUTH BAY  
4 RESIDENTS. AFTER FIRST LEARNING THAT THE LOCAL CEMENT  
5 KILN WANTS TO BURN TWO MILLION TIRES JUST UP THE HILL  
6 FROM MY HOME, MY INTEREST CONCERNING THIS ISSUE HAS  
7 DRAMATICALLY GROWN. WORDS LIKE DIOXIN, HEXAVALENT  
8 CHROMIUM, NITROUS OXIDES, SULFUR DIOXIDE, LEAD,  
9 MERCURY, RISK ASSESSMENT, COGENERATION PLANTS, AND MY  
10 FAVORITE, ENVIRONMENTALLY SAFE TRANSFORMATION ARE NOW  
11 PART OF MY EVERYDAY VOCABULARY.  
12 WHAT DID I EVER REALLY CARE JUST WHAT THE  
13 CALIFORNIA INTEGRATED WASTE MANAGEMENT DID WITH MY TAX  
14 DOLLARS? BOARD MEMBERS ARE WELL-EDUCATED PEOPLE,  
15 RESPONSIBLE, AND I REALLY BELIEVED THAT THEY ALWAYS  
16 KEPT IN MIND THE WELL-BEING OF THE RESIDENTS OF THIS  
17 GREAT STATE. WELL, TWO YEARS LATER IT IS SOMETIMES  
18 PAINFULLY OBVIOUS THAT THE WASTE BOARD IS ACTUALLY  
19 SERVICING SPECIAL INTERESTS OF THE TIRE INDUSTRY AND  
20 THE CEMENT MANUFACTURING INDUSTRY.  
21 NOW, I WROTE THAT BEFORE I CAME HERE  
22 TODAY AND YOU HAD ADOPTED YOUR NEW RESOLUTIONS, SO I'D  
23 LIKE TO SAY THAT -- I'D LIKE TO GO BACK TO MY FIRST  
24 SENTENCE AND SAY THAT I REALLY DO HOPE THAT YOU ARE  
25 SINCERE IN YOUR EFFORTS TO PROTECT THE RESIDENTS OF



1 THIS GREAT STATE.  
2 I HAVE READ WITH GREAT INTEREST THE  
3 "TIRES AS A FUEL SUPPLEMENT FEASIBILITY STUDY, A REPORT  
4 TO THE LEGISLATURE," AND THE DAMES & MOORE STUDY  
5 PRESENTED IN OCTOBER 1997. I ALSO READ DR. SEYMOUR  
6 SCHWARTZ'S INVESTIGATION "DOMESTIC MARKETS FOR  
7 CALIFORNIA'S USED AND WASTE TIRES." MOST INTERESTING  
8 WAS THE REPORT COMPILED BY THE INTEGRATED WASTE  
9 MANAGEMENT BOARD ITSELF, "THE TIRE RECYCLING PROGRAM  
10 EVALUATION." HERE I THOUGHT WOULD BE THE MOST  
11 COMPREHENSIVE EVALUATION, AND WE COULD GET ON WITH THE  
12 BUSINESS OF KEEPING CALIFORNIA GREEN AND AS FREE OF  
13 TOXIC DEBRIS AS POSSIBLE AND STILL MANAGE TO ENDORSE  
14 NEW MARKETS FOR RECYCLING. YET THE GRANT RECIPIENT  
15 TABLES AT THE BACK OF THIS REPORT DOESN'T SHOW THAT  
16 THIS IS THE CASE.  
17 FROM 1992 TO 1996 NOT ONE RED CENT WAS  
18 PAID FOR A GRANT TO INVESTIGATE THE REUSE OF TIRES.  
19 ONLY DURING THE FISCAL YEAR OF '92 TO '93 WAS ANY MONEY  
20 FUNDED FOR THE INVESTIGATION OF RETREADING TIRES. I  
21 SEE THAT THAT HAS CHANGED FOR THE FISCAL YEAR OF '97,  
22 WHICH I JUST FOUND OUT TODAY.  
23 THE MAJORITY OF FUNDING WAS GRANTED FOR  
24 ENERGY GENERATION, CRUMB PRODUCTS, AND RUBBERIZED  
25 ASPHALT. NO FUNDS ARE INDICATED FOR SOURCE REDUCTION



1 OF TIRES. IN FACT, THERE ISN'T EVEN A COLUMN  
2 DESIGNATED FOR IT ON THIS CHART.  
3 I HAVE TO ADMIT I WAS VERY MOVED BY THE  
4 PEOPLE WHO HAVE TO DEAL WITH THE ISSUE OF LIVING NEAR  
5 THESE HUGE PILES OF TIRES. AND I GUESS I'D ONLY  
6 EMPHASIZE FOR ME TODAY THE ISSUE OF SOURCE REDUCTION,  
7 AND I GUESS I'D LIKE TO ASK THE BOARD MEMBERS TO --  
8 WHAT DO YOU DO ABOUT THE PEOPLE -- DO YOU APPROACH THE  
9 PEOPLE WHO MAKE THIS PRODUCT, WHO MARKET THIS PRODUCT  
10 AND ASK THEM WILL THEY MAKE BETTER, LONGER TIRES THAT  
11 WON'T BE TURNED INTO WASTE PRODUCTS? YOU DON'T HAVE TO  
12 ANSWER ME NOW. BUT THAT IS MY QUESTION AS A CITIZEN  
13 AND AS A CONSUMER. WHEN I GO TO BUY TIRES, I'M GOING  
14 TO LOOK FOR THE PRODUCT THAT'S GOING TO LAST ME THE  
15 LONGEST AMOUNT OF TIME, THE MOST FOR MY DOLLAR SO THAT  
16 I CONTRIBUTE LESS TO THESE STOCKPILES IN THE LONG RUN.  
17 AND YET I DON'T HEAR ANYTHING COMING FROM THE TIRE  
18 INDUSTRY HOW THEY'RE DOING THIS. WE JUST HEAR ABOUT  
19 THINGS GETTING WORSE AND WORSE AND WORSE. WHAT  
20 RESPONSIBILITY IS WASTE MANAGEMENT BOARD ASKING FOR  
21 THESE PRODUCERS OF THESE PRODUCTS?  
22 SO THE LACK OF EMPHASIS ON SOURCE  
23 REDUCTION STILL REALLY CONCERNS ME, AND IT -- I'M  
24 ASKING THE WASTE BOARD TO HOLD FORTH TO THEIR MISSION  
25 STATEMENT TO REALLY LOOK INTO WASTE REDUCTION WITH



1 REGARD TO THE PEOPLE WHO GENERATE THIS VERY PRODUCT.  
2 IT'S DONE WITH OTHER PRODUCTS. WE KNOW THAT MARKETS  
3 EXIST FOR TIRES. IN EUROPE WE UNDERSTAND THAT THERE  
4 ARE PRODUCTS AVAILABLE THAT CAN BE RETREADED FOUR AND  
5 FIVE TIMES. THEY HAVE A SERIOUS ISSUE OF NOT HAVING AS  
6 MUCH LAND AS WE DO TO DISPOSE OF THEIR WASTE. THEY'VE  
7 HAD TO DEAL WITH THIS ISSUE IN A MORE TIMELY MANNER.  
8 AS YOU CAN WELL IMAGINE, MY MAIN ISSUE  
9 HERE TODAY IS OF WASTE TIRE INCINERATION, AND I  
10 CERTAINLY WON'T WEIGH YOU DOWN WITH THE INCREASING  
11 TOXIC NUMBERS. YOU'VE ALL HEARD THEM. BUT HOW  
12 FOOLHARDY. IT SEEMS LIKE SOMETHING FROM A FUTURISTIC  
13 KEVIN COSTNER MOVIE. THE PLOT WOULD GO LIKE THIS.  
14 WORLDWIDE WE HAVE RUN OUT OF FOSSIL FUELS. AND NOW  
15 AFTER CUTTING DOWN ALL THE TREES, WE'RE USING ANYTHING  
16 WE WILL BURN TO KEEP US WARM. EVERYONE LIVES  
17 UNDERGROUND BECAUSE AIR POLLUTION IS SQ TOXIC, SO WHY  
18 NOT BURN TIRES? WHAT'S A LITTLE BIT MORE POLLUTION?  
19 THE CONCLUSION OF THE DAMES & MOORE  
20 REPORT, THAT THERE IS NO STATISTICALLY SIGNIFICANT  
21 INCREASE IN HEALTH RISK, IS VERY MISLEADING. ACCORDING  
22 TO DR. SEYMOUR SCHWARTZ, HE WRITES, "A STATISTICAL TEST  
23 USING FLAWED RISK ASSESSMENT MODELS WITH HIGHLY  
24 VARIABLE EMISSION DATA PROVIDES ABSOLUTELY NO  
25 SCIENTIFIC BASIS -- I'M SORRY -- NO SCIENTIFIC BASIS



1 FOR CONCLUDING THAT BURNING WASTE TIRES IS SAFE."

2 SO SAY THE INTEGRATED WASTE MANAGEMENT

3 BOARD STICKS TO THEIR DATA AND THEY CONTINUE TO SAY

4 THAT BURNING TIRES IS AN ACCEPTABLE PRACTICE, WE'LL

5 JUST LET A WEE BIT MORE POLLUTION GO UP IN SMOKE. WHAT

6 ARE THE CONSEQUENCES? ARE YOU AWARE THAT THE

7 PARTICULATES ARE NOW KNOWN TO BE MODALITIES OF

8 INCREASING THE AMOUNT OF TOXINS AND IRRITANTS WHICH

9 ACTUALLY INVADE OUR BODIES THROUGH THE RESPIRATORY

10 TRACT? ANY INCREASE IN POLLUTION HAS SERIOUS HEALTH

11 REPERCUSSIONS. NEW EPA STANDARDS ARE NOT JUST LOOKING

12 AT PM-10 PARTICLES, BUT THEY'RE NOW TARGETING THE 2.5

13 MICRON PARTICLES.

14 WHAT I MEAN BY THAT IS THAT POLLUTANTS

15 AND IRRITANTS LATCH ONTO THOSE PARTICLE MATTERS AND

16 THEY ARE ACTUALLY VEHICLES USED TO GO INTO THE TISSUES.

17 "ASTHMA IS SO COMMON NOW THAT IT HAS BECOME A MAJOR

18 HEALTH CARE ISSUE," SAYS JACK A. ILEUS, M.D., DIRECTOR

19 OF THE NEW SPECIALIZED CENTER OF RESEARCH AT YALE

20 UNIVERSITY MEDICINE. IN THE LAST 15 YEARS, ASTHMA HAS

21 BECOME AN INCREASINGLY SEVERE HEALTH PROBLEM, EVEN

22 REACHING EPIDEMIC PROPORTIONS. CASES OF ASTHMA ARE NOW

23 THE LEADING CAUSE OF HOSPITAL ADMISSIONS FOR CHILDREN

24 NATIONWIDE. I CAN GIVE YOU STATISTICS, BUT THEY WOULD

25 JUST BE NUMBERS, NUMBERS WHICH REPRESENT YOUNG LIVES



1 BEING DIRECTLY AFFECTED BY THE INCREASES OF POLLUTION  
2 IN OUR ENVIRONMENT.  
3 WE ALL SIT HERE TODAY EFFORTLESSLY  
4 BREATHING IN AND OUT, NOT GASPING FOR AIR, NOT FEELING  
5 SCARED, AND NEED -- NOT NEEDING MEDICATION JUST TO KEEP  
6 YOUR LIFE BREATH FLOWING. I URGE THE INTEGRATED WASTE  
7 MANAGEMENT BOARD TO CONTINUE TO DO THEIR JOB TO FOLLOW  
8 THEIR MISSION STATEMENT AND TO EITHER NOT PASS THE NO.  
9 98-03 OR TO PLEASE ALLOW IT TO GO THROUGH MORE  
10 EXTENSIVE CONSIDERATION. I FEEL THAT PROMOTING ANY  
11 INCREASES IN AIR POLLUTION IN AREAS THAT NO LONGER MEET  
12 FEDERAL EPA GUIDELINES SEEMS LUDICROUS. AS A MEDICAL  
13 HEALTH CARE PROFESSIONAL IN A MAJOR PEDIATRIC HOSPITAL  
14 IN THE BAY AREA, I FIND' THE THOUGHT OF INCREASING AIR  
15 POLLUTION BY ANY GIVEN, EVEN IF CONSIDERED  
16 INSIGNIFICANT AMOUNT, EQUAL TO A CRIMINAL ACT. THANK  
17 YOU.

18 BOARD MEMBER GOTCH: MS. MCCARTHY, YOU HAD  
19 STATED EARLIER THAT THE BOARD HAD ADOPTED THIS NEW  
20 RESOLUTION. I WANT TO LET YOU KNOW THAT WE HAVE NOT  
21 ADOPTED. IT WAS NOT VOTED ON THIS ITEM, SO I WANT TO  
22 CLARIFY THAT.

23 MS. MCCARTHY: THAT WAS PROBABLY A POOR CHOICE  
24 OF WORDS ON MY PART. OBVIOUSLY YOU WORKED VERY HARD ON  
25 IT YESTERDAY THAT YOU DIDN'T GET IT OUT UNTIL 4:30 --





1 BOARD MEMBER GOTCH: I DIDN'T WORK ON IT. I  
2 HAD NOTHING TO DO WITH IT, AS A MATTER OF FACT.

3 MS. MCCARTHY: YOU KNOW, I CAN SEE THE  
4 EMPHASIS IN YOUR CROSSOUTS THAT YOU WANT TO MAKE SURE  
5 THAT THIS WAS A NO-DOUBT-ABOUT-IT DECISION. SO MY  
6 COMMENTS STILL STAND THOUGH. ANY INCREASE IN POLLUTION  
7 IS SIGNIFICANT, AND THAT WILL HAPPEN IF TIRES ARE  
8 BURNED.

9 CHAIRMAN PENNINGTON: MR. FRAZEE.

10 BOARD MEMBER FRAZEE: JUST A COUPLE OF  
11 COMMENTS, AND YOU MADE SOME EXCELLENT POINTS. ON THE  
12 SOURCE REDUCTION ISSUE, I'M OLD ENOUGH TO REMEMBER WHEN  
13 THE FIRST SET OF TIRES ON AN AUTOMOBILE, WE WERE LUCKY  
14 TO GET 5,000 MILES OUT OF IT. I OWN AN AUTOMOBILE  
15 TODAY THAT'S TEN YEARS OLD AND HAS WELL OVER 50,000  
16 MILES ON THAT SAME SET OF TIRES. SO I THINK THERE HAVE  
17 BEEN GIANT LEAPS FORWARD IN THE PRODUCTION OF BETTER  
18 QUALITY TIRES JUST IN A RATHER SHORT PERIOD OF TIME.  
19 THE OTHER REFERENCE YOU MADE TO EUROPE,  
20 AND I KNOW THIS FOR A FACT BECAUSE I VISITED SEVEN  
21 FACILITIES, THE PRIMARY WASTE DISPOSAL METHOD  
22 THROUGHOUT WESTERN EUROPE IS INCINERATION.

23 MS. MCCARTHY: DOING SOMETHING DOESN'T MAKE IT  
24 RIGHT. MR. FRAZEE, I'M OLD ENOUGH TO REMEMBER WHEN MY  
25 PARENTS WHEN OUT AND BURNED THEIR GARBAGE IN THEIR



1 BACKYARD WHEN EVERYBODY HAD INCINERATION BINS IN THEIR  
2 BACKYARD. I WAS OLD ENOUGH TO LIVE IN THE SANTA CLARA  
3 VALLEY WHEN PEOPLE HAD APRICOT SMUDGE POTS. I WALKED  
4 THROUGH ORCHARDS, NOT IN THE SNOW, BUT I WALKED THROUGH  
5 ORCHARDS TO GET TO SCHOOL. AND YOU ARE RIGHT, BUT WHAT  
6 IS THE ECONOMIC INCENTIVE -- DON'T YOU THINK PRESSURE  
7 HAS TO BE PUT ON THE MANUFACTURERS OF THESE TIRES, NOT  
8 JUST TIRES, ECONOMIC INCENTIVE FOR THE BUYER TO BUY  
9 THIS PRODUCT, BUT HOW ABOUT SOME FINE OR FEE IF THEY  
10 DON'T DO BETTER IN GETTING BETTER TECHNOLOGY?

11 BOARD MEMBER FRAZEE: WELL, I'M JUST MAKING MY  
12 POINT THAT THEY HAVE ALREADY MADE GIANT LEAPS IN THAT  
13 REGARD.

14 MR. MCCARTHY: THEY CAN DO BETTER WHEN THE  
15 MONEY IS THERE.

16 UNIDENTIFIED SPEAKER: THE CHEAP ONES ARE  
17 STILL OUT THERE.

18 CHAIRMAN PENNINGTON: IF YOU WANT TO BUY THEM  
19 EVERY 10,000 MILES.

20 ANYWAY, NEXT IS SANDRA FUNKE.

21 MS. FUNKE: TIRES. TIRES. TIRES. I RIDE A  
22 BIKE, AND IT DOESN'T HAVE ANY TIRES ON IT AT ALL.  
23 THEY'RE METAL. JUST KIDDING.

24 I'M ACTUALLY WITH THE SILICON VALLEY  
25 TOXICS COALITION, AND I HAVE A BRIEF PREPARED STATEMENT



1 I WANTED TO READ, BUT I JUST WANTED TO MAKE THE POINT  
2 IN THAT I JUST WANTED TO REITERATE, YES, YOU'RE CORRECT  
3 THAT, OF COURSE, THE LOCAL AIR DISTRICTS DO HAVE THE  
4 FINAL SAY ON ANY DECISIONS THAT ARE MADE, BUT THEY DO  
5 LOOK TO YOU FOR GUIDANCE.  
6 IN A CONVERSATION WITH A MEMBER OF THE  
7 BAY AREA AIR QUALITY MANAGEMENT DISTRICT A NUMBER OF  
8 MONTHS AGO, A PERSON SAID, "OH, YOU ARE GOING UP TO THE  
9 INTEGRATED BOARD. I GUESS YOU'RE GOING OVER OUR  
10 HEADS." NOT THAT YOU ARE OVER THEIR HEADS, BUT I THINK  
11 THERE'S THAT PERCEPTION THAT YOU KNOW WHAT'S GOING ON,  
12 AND I THINK SOME OF THE MEMBERS OF THE BOARD THERE  
13 MAYBE HAVE A FEELING THAT IF YOU SAY IT'S OKAY, THEN  
14 IT'S OKAY FOR ANYTHING THEY DO.  
15 I WILL PROCEED QUICKLY. SO THIS IS A  
16 BRIEF STATEMENT FROM THE SILICON VALLEY TOXICS  
17 COALITION. THIS COALITION IS A 15-YEAR-OLD COMMUNITY  
18 BASED ORGANIZATION WITH SEVERAL THOUSAND MEMBERS. WE  
19 FIRST BECAME AWARE OF THE LOCAL POTENTIAL FOR TIRE  
20 BURNING WHEN KAISER CEMENT CONDUCTED AN EXPERIMENT IN  
21 THE FALL OF '95. THIS EXPERIMENT, DONE WITHOUT THE  
22 KNOWLEDGE AND CONSENT OF THE NEIGHBORING COMMUNITY,  
23 NOBODY KNEW THAT THIS WAS GOING ON, LOOKED AT THE  
24 FEASIBILITY AND EFFICIENCY OF TIRE BURNING, BUT WAS  
25 ALSO AN EXPERIMENT ON THE HEALTH OF THE COMMUNITY.



1 THE TIRE BURNING EXPERIMENT SHOWED AN  
2 INCREASE IN THE AMOUNTS OF TOXIC POLLUTANTS, INCLUDING  
3 DIOXIN, MERCURY, AND SMALL PARTICULATES. THESE TOXINS  
4 ARE KNOWN TO CAUSE ILLNESS, CANCER, ASTHMA, INCREASED  
5 NERVOUS DISORDERS, AND REPRODUCTIVE DISORDERS. SO YOU  
6 CAN SEE KIND OF WHERE OUR PASSION IS COMING FROM.  
7 THE COMMUNITY IN CUPERTINO, THROUGH  
8 EDUCATION ON THE HEALTH EFFECTS OF TIRE BURNING, WAS  
9 ABLE TO FORESTALL KAISER CEMENT FROM MOVING FORWARD  
10 WITH ITS PLANS TO SUPPLEMENT ITS FUEL SOURCE WITH TIRE  
11 CHIPS. HAVING LOST THE LOCAL BATTLE, KAISER NEXT  
12 LOOKED UNSUCCESSFULLY FOR LEGISLATIVE SUPPORT. NOW  
13 THEY HAVE TURNED TO YOU.  
14 THE INTEGRATED WASTE MANAGEMENT BOARD  
15 SHOULD IMPLEMENT THEIR MISSION TO REUSE, REDUCE, AND  
16 RECYCLE WASTE. AND IT IS DISINGENUOUS TO CLAIM THAT  
17 BURNING TIRES FOR ENERGY IS A CREATIVE WAY TO HANDLE A  
18 WASTE PROBLEM. NOW IT IS TIME TO LOOK AT THE NEW  
19 TECHNOLOGIES THAT ARE BEING DEVELOPED AND SUCCESSFULLY  
20 IMPLEMENTED. THE TIRE STOCKPILES CAN BE REDUCED AS  
21 RUBBER FROM USED TIRES CAN REPLACE 10 PERCENT OF THE  
22 RUBBER IN NEW TIRES. THEY CAN BE REUSED IN TIRE  
23 RETREADING THAT WE SEE YOU'RE PUTTING MONEY INTO, AND  
24 THE TIRES CAN BE RECYCLED AND USED AS RUBBERIZED  
25 ASPHALT ROADS, WHICH AGAIN WE SEE YOU'RE PUTTING MONEY



1 INTO, AND WE'RE GLAD ABOUT THAT.  
2 THE BACKWARD POLICY OF TIRE BURNING WILL  
3 SAVE THE CEMENT KILNS MONEY, BUT WILL CREATE ADDITIONAL  
4 ENVIRONMENTAL POLLUTION WITH SEVERE HUMAN HEALTH  
5 IMPACTS. IT WILL MOVE THE PROBLEM OF WASTE TIRES TO  
6 ANOTHER LANDFILL, THE SEEMINGLY LIMITLESS LANDFILL IN  
7 THE SKY KNOWN AS OUR AIR. SURELY THERE IS A NEED TO  
8 DIMINISH STOCKPILED USED TIRES, BUT THIS SHOULD NOT BE  
9 SOLVED AT THE COST OF RESIDENTS' HEALTH. AND THAT'S  
10 FROM THE TOXICS COALITION. THANK YOU.

11 CHAIRMAN PENNINGTON: THANK YOU. NEXT IS  
12 CAROL FARRELL.

13 MS. FARRELL: GOOD EVENING. MY NAME IS  
14 CAROLINE FARRELL, AND I'M A LEGAL INTERN AT COMMUNITIES  
15 FOR A BETTER ENVIRONMENT. COMMUNITIES FOR A BETTER  
16 ENVIRONMENT HAS BEEN WORKING WITH SOME OF THE  
17 COMMUNITIES NEIGHBORING THE CEMENT KILNS ON THIS ISSUE.  
18 THIS BOARD'S MANDATE IS TO REDUCE, REUSE,  
19 AND RECYCLE CALIFORNIA SOLID WASTE. IT'S REFLECTED IN  
20 THIS MODIFIED VERSION OF THE RESOLUTION. HOWEVER, ANY  
21 RESOLUTION THAT INCLUDES AS PART OF ITS MISSION TO  
22 DEVELOP MARKETS FOR THE BURNING OF TIRES DOES NOT MEET  
23 THIS MANDATE. THIS RESOLUTION CREATES A WHOLE HOST OF  
24 UNNECESSARY HEALTH AND ENVIRONMENTAL PROBLEMS FOR THE  
25 COMMUNITIES NEIGHBORING THE CEMENT KILNS IF THEY'RE



1 PERMITTED TO BURN TIRES.  
2 AS REPORTED IN THE UC DAVIS STUDY  
3 COMMISSIONED BY THIS BOARD AND THEN SUBSEQUENTLY  
4 REJECTED BY IT, SEVERAL STUDIES HAVE FOUND THAT A  
5 VARIETY OF TOXIC CHEMICALS ARE EMITTED WHEN TIRES ARE  
6 BURNED IN CEMENT KILNS, INCLUDING DIOXINS, FURANS,  
7 PCB'S, AND METALS IN SUCH QUANTITIES THAT THEY POSE  
8 THREATS OF INCREASED RISK OF CANCER, PROBLEMS WITH  
9 INDIVIDUAL'S REPRODUCTIVE SYSTEMS, EFFECTS ON FETAL  
10 DEVELOPMENT, AND GROWTH AND LEARNING DEVELOPMENT IN  
11 CHILDREN, AS WELL AS DISRUPTIONS IN HORMONE SYSTEMS.  
12 THESE RISKS ARE MORE STARTLING WHEN TAKEN  
13 IN CONNECTION WITH THE BACKGROUND LEVELS OF CHEMICALS  
14 IN THE ENVIRONMENT. THIS IS ESPECIALLY IMPORTANT TO  
15 CONSIDER BECAUSE CEMENT KILNS ARE THE THIRD LARGEST  
16 SOURCE OF DIOXIN EMISSIONS IN THE U.S. THEMSELVES. UC  
17 DAVIS STUDY ALSO REPORTED THAT TEST BURNS IN CALIFORNIA  
18 AND CANADA HAVE PRODUCED VARIED RESULTS OF TOXIC  
19 EMISSIONS THAT WOULD SEEM TO TURN ON THE PROCESS TYPE  
20 USED AND THE BURN CONDITIONS; THAT IS, WHETHER WHOLE OR  
21 PARTIAL TIRES ARE USED.  
22 HOWEVER, THE UC DAVIS STUDY WENT ON TO  
23 CONCLUDE THAT THE EXACT CONDITIONS UNDER WHICH THERE  
24 ARE NO INCREASED TOXIC EMISSIONS ARE NOT KNOWN, AND  
25 THAT WAS CONFIRMED TODAY IN YOUR STAFF'S PRESENTATION



1 OF DAMES & MOORE. THEY CAN'T EXPLAIN THE DIFFERENCES  
2 AND INCREASES OR DECREASES IN THE EMISSIONS OF TOXIC  
3 CHEMICALS. THUS, TO ENDORSE TIRE BURNING AT THIS TIME  
4 WILL MOST LIKELY EXPOSE THE NEIGHBORING COMMUNITIES TO  
5 INCREASED, UNNECESSARY HEALTH AND ENVIRONMENTAL RISKS.  
6 THESE RISKS CAN BE AVOIDED BY INTENSIFYING AND  
7 ENCOURAGING EFFORTS TO REUSE AND RECYCLE TIRES, WHICH  
8 IS STATED THAT YOU'VE BEEN DOING. AND THESE SAFER  
9 ALTERNATIVES TO TIRE BURNING INCLUDE GRINDING THEM UP  
10 AND USING THE MATERIALS WITH ROAD BEDS OR FOR ROAD  
11 BEDS, COMBINING THEM WITH ASPHALTS FOR NEW ROAD TOP  
12 MATERIALS, USING THEM AS BUILDING MATERIALS BY MIXING  
13 CRUMBLED TIRES WITH CONCRETE, REMANUFACTURING THEM INTO  
14 RETREADED TIRES, OR USING TIRES IN OTHER RUBBER  
15 PRODUCTS SUCH AS FLOOR MATS, GASKETS, AND SANDAL SHOE  
16 SOLES.  
17 THUS, ENCOURAGING THESE SAFER  
18 ALTERNATIVES IS MORE IN KEEPING WITH THIS BOARD'S  
19 MANDATE TO RECYCLE, REUSE - - REDUCE AND REUSE SOLID  
20 WASTE, AS WELL AS BEING MORE PROTECTIVE OF THE HEALTH  
21 AND ENVIRONMENT. THEREFORE, THIS BOARD SHOULD REJECT  
22 THIS RESOLUTION INsofar AS IT ENDORSES DEVELOPING  
23 MARKETS FOR BURNING TIRES. THANK YOU VERY MUCH.  
24  
25 CHAIRMAN PENNINGTON: THANK YOU. NEXT WE HAVE  
JOSEPHINE DING.



1 MS. DING: FIRST OF ALL, I'D LIKE TO THANK THE  
2 BOARD AND THE STAFF FOR STAYING SO LATE. PROBABLY  
3 TIRED AND HUNGRY TO LISTEN TO US SO WE DON'T HAVE TO  
4 COME BACK TOMORROW. REALLY APPRECIATE THAT. MY NAME  
5 IS JOSEPHINE DING. I'M FROM CUPERTINO, CALIFORNIA. MY  
6 HUSBAND, IGNATIUS, AND I SUBMITTED A PETITION WITH MANY  
7 SIGNATURES OF OUR COMMUNITY MEMBERS. THAT WAS DONE IN  
8 OCTOBER 1997. THE PETITION WAS OPPOSING THIS TIRE  
9 BURNING RESOLUTION. WE HAVE RECEIVED YOUR LETTER OF  
10 ACKNOWLEDGEMENT.  
11 FOR THE RECORD, I WANT TO INFORM YOU AND  
12 THE BOARD THAT THE RESIDENTS OF DAVENPORT AND SANTA  
13 CRUZ COUNTY HAVE ALSO STARTED A SIMILAR PETITION DRIVE.  
14 UNFORTUNATELY, SEVERE WEATHER CONDITION AND MUDSLIDES  
15 IN THE AREA HAS CAUSED DELAY OF MAIL DELIVERY. THAT IS  
16 WHY YOU HAVE NOT RECEIVED THE PETITION, AND I DON'T  
17 HAVE A COPY EITHER. I WANT TO ASSURE YOU THAT IT IS  
18 COMING.  
19 AS WE SPREAD THE WORD THROUGH OUR WEB  
20 SITE AND THAT OF OTHER ENVIRONMENTAL GROUPS, YOU CAN BE  
21 CERTAIN THAT MANY PETITIONS OF THIS KIND WILL REACH  
22 YOUR BOARD. I ALSO HAVE A LETTER TO READ FROM A FELLOW  
23 RESIDENT OF CUPERTINO.  
24 DEAR MR. PENNINGTON AND MEMBERS OF THE  
25 BOARD: I'VE BEEN FOLLOWING THE CONTROVERSY OVER TIRE





1 BURNING FOR SOME TIME, AND I READ WITH SOME INTEREST  
2 THE ARTICLE BY JANE KAY IN THE SAN FRANCISCO EXAMINER  
3 ABOUT RUBBERIZED ASPHALT VERSUS TIRE BURNING. ALSO,  
4 SOME LETTERS TO THE EDITOR FROM SEVERAL CITIZENS, A  
5 LETTER FROM CITIZENS FOR A BETTER ENVIRONMENT, AND MR.  
6 PENNINGTON'S LETTER TO THE EDITOR.  
7 MR. PENNINGTON, YOUR LETTER IMPLIED THAT  
8 YOU ARE FACED WITH A CRISIS SITUATION THAT REQUIRES  
9 IMMEDIATE REMEDIATION. BUT YOU DIDN'T SAY HOW LONG THE  
10 TIRES HAVE BEEN ACCUMULATING IN STOCKPILES, HOW LONG  
11 THE CIWMB HAS BEEN IN EXISTENCE, OR HOW LONG YOU AND  
12 OTHER BOARD MEMBERS HAVE BEEN IN OFFICE. I'M WONDERING  
13 WHY IT IS EMERGENCY NOW AND CAREFUL PLANNING WAS NOT  
14 UNDERTAKEN AT AN EARLIER. STAGE BEFORE THIS SITUATION  
15 GOT OUT OF HAND, SO MUCH SO THAT YOU HAVE TO BURN TIRES  
16 INSTEAD OF RECYCLING THEM.  
17 EVERY DAY MORE AND MORE PEOPLE ARE  
18 FINDING OUT ABOUT THE DETRIMENTAL HEALTH EFFECTS CAUSED  
19 BY TIRE BURNING. WEST VALLEY CITIZENS AIR WATCH PEOPLE  
20 ARE A VERY DETERMINED BUNCH, AND I DON'T EXPECT THEM TO  
21 ROLL OVER AND PLAY DEAD EVEN IF THEY MEET WITH A  
22 SETBACK AT A HEARING ON THE 28TH OF JANUARY. THEY WILL  
23 BE OUT THERE SPREADING THE WORD FROM ONE END OF THE  
24 STATE TO THE OTHER. THEY EVEN HAVE A WEB PAGE.  
25 THAT IS WHY I SUSPECT THAT IF YOU DECIDE



1 TO VOTE TO APPROVE ANY RESOLUTION THAT SUPPORTS TIRE  
2 BURNING, YOUR DECISION MAY VERY WELL COME BACK TO HAUNT  
3 YOU. SINCERELY, BETTY WEST, CUPERTINO.  
4 MEMBERS OF THE BOARD, I URGE YOU TO  
5 CONSIDER YOUR POSITION CAREFULLY. YOUR DECISION WILL  
6 AFFECT MILLIONS OF CALIFORNIANS, MOST OF WHOM HAVE YET  
7 TO HEAR OF THIS ISSUE. THE INTEGRATED WASTE MANAGEMENT  
8 BOARD'S VISION THAT IT BE THE RECOGNIZED NATIONAL AND  
9 INTERNATIONAL LEADER IN THE INTEGRATED MANAGEMENT OF  
10 WASTE AND RECOVERED MATERIALS TO BEST SERVE THE PUBLIC,  
11 THE ECONOMY, AND THE ENVIRONMENT IS AT STAKE. THANK  
12 YOU.

13 CHAIRMAN PENNINGTON: THANK YOU. NEXT WE HAVE  
14 WENDY MEZILIS.

15 MS. MEZILIS: GOOD EVENING. I'M WENDY MEZILIS  
16 FROM CUPERTINO. AND I'D LIKE TO READ PART OF AN  
17 ARTICLE THAT APPEARED IN THE METRO SECTION OF THE "SAN  
18 FRANCISCO SUNDAY EXAMINER" AND "CHRONICLE" ON THE 4TH  
19 OF THIS MONTH. I'LL JUST READ A VERY SMALL PART OF IT.  
20 IT IS BY JANE QUE, THE "EXAMINER" ENVIRONMENTAL  
21 WRITER.

22 "HUNDREDS OF MILES OF HIGHWAY IN  
23 CALIFORNIA HAVE BEEN PAVED IN THE PAST FIVE YEARS WITH  
24 RUBBER FROM WORN TIRES, PART OF A 1990S RECYCLING  
25 PROJECT THAT OFFERS THE FIRST REAL HOPE OF RECLAIMING



1 USED RUBBER INSTEAD OF BURNING OR BURYING IT. BUT THIS  
2 AMBITIOUS RECYCLING GOAL, SUPPORTERS SAY, COULD BE  
3 UNDERMINED BY PROPOSED STATE POLICIES THAT MIGHT  
4 SUDDENLY ENCOURAGE CONTRACTORS TO SHUN SCRAP RUBBER IN  
5 ROAD PROJECTS. ONE POLICY BY THE STATE INTEGRATED  
6 WASTE MANAGEMENT BOARD WOULD ENCOURAGE TOWNS TO ALLOW  
7 CEMENT PLANTS AND POWER PLANTS TO BURN TIRES FOR FUEL.  
8 "CALIFORNIANS ARE COMMITTED TO  
9 RECYCLING," SAID MARK MURRAY, EXECUTIVE DIRECTOR OF THE  
10 NONPROFIT CALIFORNIANS AGAINST WASTE. AT A TIME WHEN  
11 THE GOVERNMENT AGENCIES SHOULD BE TAKING THE LEAD IN  
12 PROMOTING THE REUSE AND RECYCLING OF TIRES, STATE  
13 AGENCIES APPEAR TO BE TAKING STEPS BACKWARD.  
14 "RUBBER ROADS PERFORM BETTER. INDEED,  
15 ONE OF THE GREATEST BENEFITS OF THE LONGER LASTING,  
16 BETTER RIDING RUBBERIZED ROADS IS THAT THEY ARE  
17 ACTUALLY CHEAPER TO BUILD THAN TRADITIONAL CONCRETE  
18 HIGHWAYS. 'IT'S A PRODUCT THAT THE PUBLIC HAS COME TO  
19 LIKE,' SAID ROSS KASHUWAGI, AN ENGINEER WITH GRANITE  
20 CONSTRUCTION COMPANY IN INDIO, WHICH BUILDS HALF THE  
21 HIGHWAYS FOR CALTRANS. 'THE RUBBERIZED ASPHALT ROADS  
22 PERFORM BETTER,' KASHUWAGI SAID. THEY REDUCE TRAFFIC  
23 NOISE SIGNIFICANTLY. SOME SAY UP TO 90 PERCENT  
24 COMPARED TO CONCRETE. 'TO TOP IT OFF,' HE SAID,  
25 'YOU'VE GOT REDUCED MAINTENANCE COSTS ON THE ROADS.'



1 RUBBER ASPHALT LASTS LONGER. METROPOLITAN LOS ANGELES,  
2 WHICH MAINTAINS THE LARGEST MAZE OF HIGHWAYS IN  
3 AMERICA, IS THRILLED WITH THE PERFORMANCE OF THE  
4 ROADS. OUT OF 250 ASPHALT RUBBER ROAD PROJECTS BUILT  
5 IN THE LAST FIVE YEARS, ONLY TWO CRACKED, ONE BECAUSE  
6 THE ROAD WAS POORLY COMPACTED AND THE OTHER BECAUSE THE  
7 MATERIAL WAS BADLY MANUFACTURED, ACCORDING TO THE LOS  
8 ANGELES RUBBERIZED ASPHALT CONCRETE TECHNOLOGY CENTER.  
9 'WE'VE HAD THE MOST EXPERIENCE USING  
10 RUBBERIZED ASPHALT CONCRETE IN CALIFORNIA,' SAID LYNN  
11 NICOLSON WHO DIRECTS THE CENTER. 'WE DON'T HAVE ANY  
12 PROBLEMS. WE HAVEN'T ANYTHING BAD TO TELL ANYONE ABOUT  
13 RUBBERIZED ROADS. OF ALL THE RECYCLING OPTIONS,  
14 SURFACING ROADS WITH TIE RUBBER LEADS THE WAY, USING  
15 UP 2,000 TIRES A LANE MILE.'"  
16 THAT'S ALL I PLANNED TO READ. BUT I WILL  
17 HAND A COPY OF THE ARTICLE FOR THE RECORD. I REALIZE  
18 THAT YOU NEED TO FIND A SOLUTION FOR YOUR TIRE PROBLEM,  
19 AND TIRE-DERIVED FUEL WOULD BE AN EASY SOLUTION, BUT I  
20 FEEL IT'S NOT THE RIGHT SOLUTION. YOU NEED TO CONTINUE  
21 TO PROMOTE TRUE RECYCLING AND TRY TO REDUCE THE NUMBER  
22 OF SCRAP TIRES BY WORKING WITH THE TIRE INDUSTRY TO  
23 PROMOTE QUALITY AND LONG LASTING TIRES. THANK YOU.  
24 CHAIRMAN PENNINGTON: YOU DO REALIZE THAT THE  
25 CENTER IN WHICH SHE REFERS TO IN THERE, THE CENTER IN



1 LOS ANGELES, IS FINANCED BY THIS BOARD.

2 MS. MEZILIS: I DO REALIZE THAT.

3 CHAIRMAN PENNINGTON: JUST SO WE UNDERSTAND  
4 THAT WE'RE NOT JUST DRAGGING OUR FEET IN THAT AREA.

5 MS. MEZILIS: NO. AND I'VE BECOME MORE AWARE  
6 OF THE WAYS YOU'VE BEEN PROMOTING RUBBERIZED ASPHALT,  
7 AND I THINK IT IS THE RIGHT DIRECTION TO GO.

8 CHAIRMAN PENNINGTON: THANK YOU. OKAY. WE  
9 HAVE ROBIN SEMERIA.

10 MS. SEMERIA: I'D LIKE TO READ A LETTER FROM  
11 NATURAL RESOURCES DEFENSE COUNCIL. THEY'VE SENT THE  
12 LETTER IN ALREADY AND YOU HAVE IT ON YOUR RECORD.  
13 ALTHOUGH THE NATURAL RESOURCES DEFENSE  
14 COUNCIL, NRDC, APPLAUDS THE BOARD'S EFFORTS TO WIDEN  
15 END USES OF CALIFORNIA'S WASTE TIRES, WE FORMALLY  
16 OPPOSE THE USE OF WASTE TIRES AS A FUEL SUPPLEMENT AND  
17 URGE THE BOARD TO WITHDRAW ITS SUPPORT OF TIRE-DERIVED  
18 FUELS.

19 WE OPPOSE THE PROPOSED POLICY BECAUSE IT  
20 IS ENVIRONMENTALLY IRRESPONSIBLE AND BECAUSE THERE ARE  
21 ECONOMICALLY VIABLE AND ENVIRONMENTALLY PREFERABLE  
22 ALTERNATIVES AVAILABLE. INDEED, AS DISCUSSED BELOW, WE  
23 URGE THE BOARD TO LOOK TO TIRE MANUFACTURERS TO HELP  
24 SOLVE THE STATE'S WASTE TIRE DISPOSAL PROBLEM.

25 CHAIRMAN PENNINGTON'S LETTER PLAINLY



1 SUGGESTS THAT IT WOULD BE ACCEPTABLE TO THE BOARD TO  
2 BURN 24 MILLION OF THE 30 MILLION WASTE TIRES GENERATED  
3 ANNUALLY IN THIS STATE UNTIL NEW MARKETS ARE FOUND.  
4 THIS APPROACH WILL INCREASE AND PERPETUATE RELIANCE ON  
5 TIRE BURNING WHILE DETERRING THE ACTIVE DEVELOPMENT OF  
6 ENVIRONMENTALLY SAFE REUSE MARKETS.  
7 INSTEAD OF DESTROYING THIS EXPENSIVE  
8 PRODUCT AND PERPETUATING DEMAND FOR MORE PETROLEUM  
9 PROCESSING AND TIRE MANUFACTURING, THE BOARD SHOULD  
10 SUPPORT END USES OF WASTE TIRES THAT ARE ULTIMATELY  
11 MORE ENERGY AND ENVIRONMENTALLY EFFICIENT.  
12 FINALLY, CHAIRMAN PENNINGTON STATES AND  
13 THE BOARD HAS ASSERTED REPEATEDLY THAT BURNING TIRES IN  
14 PLACE OF COAL HAS LITTLE NET EFFECT ON OVERALL  
15 EMISSIONS. THIS ASSERTION IS DUBIOUS AT BEST AND  
16 ULTIMATELY MISLEADING. REPORTS ISSUED BY THE U.S.  
17 ENVIRONMENTAL PROTECTION AGENCY, AS WELL AS THE REPORT  
18 COMMISSIONED BY THE BOARD FROM INDEPENDENT RESEARCHERS  
19 AT THE UNIVERSITY OF CALIFORNIA DAVIS, HAVE CONCLUDED  
20 THAT TIRE BURNING IS A POOR DISPOSAL METHOD BECAUSE IT  
21 GENERATES HIGHLY TOXIC CHEMICALS.  
22 THE BOARD SHOULD NOT IGNORE ITS OWN  
23 STUDY, THE ENVIRONMENTAL PROTECTION AGENCY'S REPORTS,  
24 OR THE COPIOUS AMOUNTS OF SCIENTIFIC RESEARCH AVAILABLE  
25 ON THE TOXIC EMISSIONS THAT RESULT FROM TIRE BURNING,



1 INCLUDING THE EVIDENCE SUBMITTED BY THE PLAINTIFFS IN  
2 CONNECTION WITH THE KERN COUNTY AIR DISTRICT LITIGATION  
3 OVER CEMENT KILNS.  
4 AS THAT CASE DEMONSTRATES, RELYING ON THE  
5 APPROVAL OF LOCAL AIR QUALITY MANAGEMENT DISTRICTS,  
6 LOCAL GOVERNMENT, AND OTHER APPROPRIATE REGULATORY  
7 AGENCIES WILL NOT PREVENT HARMFUL EMISSIONS, CONTRARY  
8 TO THE IMPLICATION OF CHAIRMAN PENNINGTON'S LETTER.  
9 THE BOARD'S MISSION TO PROTECT PUBLIC HEALTH AND SAFETY  
10 AND THE ENVIRONMENT THROUGH WASTE PREVENTION, WASTE  
11 DIVERSION, AND SAFE WASTE PROCESSING AND DISPOSAL WOULD  
12 BEST BE SERVED BY WITHDRAWING THIS RESOLUTION AND  
13 RECONSIDERING ITS STANCE ON WASTE TIRE RECYCLING.  
14 IN PARTICULAR, RATHER THAN LOOK TO  
15 BURNING TO RESOLVE THE WASTE TIRE DISPOSAL PROBLEM, WE  
16 URGE YOU TO INVOLVE TIRE MANUFACTURERS IN YOUR  
17 SOLUTION. TO DATE IT APPEARS THAT YOU HAVE NOT  
18 CONSIDERED THIS OPTION. THIS, OPTION IS NOT REFERRED TO  
19 IN YOUR PROPOSED POLICY, YOUR ON-LINE PUBLICATIONS, OR  
20 YOUR CHAIRMAN'S LETTER TO THE SAN FRANCISCO EXAMINER.  
21 TIRE MANUFACTURERS, NOT MERELY THE TIRE  
22 CONSUMER OR THE TAXPAYER, SHOULD BEAR THE RESPONSIBI-  
23 BILITY AND THE COST OF RECOVERING AND RECYCLING WASTE  
24 TIRES. PLACING THIS RESPONSIBILITY ON INDUSTRY WILL  
25 PROVIDE NEW AVENUES OF RESEARCH AND REVENUE TO



1 RESOLUTION OF CALIFORNIA'S TIRE DISPOSAL PROBLEM.  
2 WHAT IS MORE, INCREASED EMPHASIS ON  
3 PRODUCER RESPONSIBILITY HOLDS GREAT POTENTIAL FOR  
4 DEALING WITH DISPOSAL PROBLEMS INVOLVING OTHER KINDS OF  
5 WASTES HERE IN CALIFORNIA AND ELSEWHERE. FOR THE  
6 REASONS STATED ABOVE, NRDC STRONGLY URGES THE BOARD TO  
7 REJECT ITS POLICY FAVORING THE HARMFUL BURNING OF WASTE  
8 TIRES AND TO ADOPT AN ENVIRONMENTALLY SUPERIOR POLICY  
9 THAT ENCOURAGES REUSE OVER COMBUSTION. THANK YOU.

10 CHAIRMAN PENNINGTON: THANK YOU. STEVEN  
11 WEISS.

12 MR. WEISS: HOPEFULLY NEAR THE END. I'LL TRY  
13 TO KEEP IT BRIEF AND JUST DEVIATE FROM MY PREPARED  
14 COMMENTS FOR A MOMENT TO ADDRESS SOME OF THE THINGS  
15 I'VE BEEN HEARING FROM THE BOARD AND STAFF WHICH I HEAR  
16 AS TRYING TO DOWNPLAY WHAT THIS RESOLUTION -- PROPOSED  
17 RESOLUTION WOULD DO AND WHAT ITS IMPACT WOULD BE.  
18 THE MAIN THING THAT WE'RE HEARING IS THAT  
19 IT'S MERELY A REAFFIRMATION OF 1992-93 POLICY TO  
20 RESEARCH TIRE MARKET DEVELOPMENT MARKETS. AND AT THAT  
21 TIME I'LL GIVE YOU THE BENEFIT OF THE DOUBT AND SAY YOU  
22 DIDN'T KNOW WHAT YOU WERE DOING. BY NOW MUCH HAS  
23 HAPPENED IN THE LAST FIVE YEARS WHICH SHOULD INFORM THE  
24 STAFF AND THE BOARD AS TO WHAT THE IMPACTS OF BURNING  
25 TIRES ARE AND SHOULD ENCOURAGE THE BOARD TO HEED ITS





1 MISSION STATEMENT AND TO FOCUS ON REUSE, REDUCTION,  
2 RECYCLING AND NOT ON BURNING TIRES.  
3 ONE WAY OF LOOKING AT IT IS THE 1992-93  
4 POLICY AND SOME OF THE GRAPHS THAT WERE SHOWN IN  
5 SUPPORT OF THE DAMES & MOORE STUDY IS THAT THE POLICY  
6 HAS CAUSED AN INCREASE IN BURNING OF TIRES WITH LESS OF  
7 AN INVESTMENT BY THE BOARD. THEREFORE, YOU CAN PUT UP  
8 GRAPHS THAT SHOW HOW MUCH MORE THE BOARD IS SPENDING ON  
9 PROMOTING THESE INNOVATIVE NEW TECHNOLOGIES TO RECYCLE,  
10 TRULY RECYCLE USED TIRES, AND HOW MUCH LESS IT COSTS TO  
11 JUST BURN THEM. AND THERE ARE VERY GOOD REASONS FOR  
12 THAT.  
13 PRIMARILY, THAT IT'S A SUBSIDY TO THE  
14 CEMENT INDUSTRY TO USE A CHEAPER FUEL. OF COURSE, IT  
15 DOESN'T COST MUCH FOR YOU TO INVEST. THERE'S NO REASON  
16 FOR YOU TO INVEST. YOU DON'T HAVE TO ENCOURAGE. THEY  
17 JUST THROW THEM IN THERE. IT'S NOT LIKE DEVELOPING A  
18 NEW TECHNOLOGY. IT DOESN'T REQUIRE ANY SCIENCE AT ALL.  
19 IN FACT, WHAT IT DOES REQUIRE IS IGNORING SCIENCE,  
20 IGNORING WHAT DIOXIN IS, AND WHAT BURNING TIRES DOES.  
21 AND THAT IS REFLECTED IN THE BOARD'S EFFORT TO SUPPRESS  
22 THE UC DAVIS STUDY, WHICH IT COMMISSIONED.  
23 GETTING BACK TO WHAT I REALLY CAME HERE  
24 TO TALK ABOUT, I JOIN IN THE COMMENTS OF THE PREVIOUS  
25 SPEAKERS AND OTHERS WHO HAVE SPOKEN BEFORE YOU OPPOSING



1 PASSAGE OF ANY RESOLUTION WHICH IN ANY WAY SUPPORTS THE  
2 CONTINUATION OR EXPANSION OF TIRE BURNING.  
3 AND I ALSO WOULD LIKE TO -- IT'S BEEN  
4 MENTIONED SEVERAL TIMES HOW THIS RESOLUTION WAS CHANGED  
5 YESTERDAY AND HOW IN THE PAST NOTICE WAS GIVEN A FEW  
6 DAYS BEFORE A HEARING. AND I'D JUST LIKE TO SUGGEST  
7 THAT THERE'S A PATTERN OF SUPPRESSION OF PUBLIC  
8 PARTICIPATION IN THIS MATTER.  
9 BUT THE MAIN REASON I WANT TO TALK TO YOU  
10 TODAY IS BECAUSE APPROVAL OF TIRE BURNING OVER -- OR  
11 EQUATING TIRE BURNING EVEN WITH OTHER VIABLE RECYCLING  
12 ALTERNATIVES RUNS CONTRARY TO THE MISSION OF THE BOARD  
13 AND THE STAFF REPORT IN THE LANGUAGE OF THIS  
14 RESOLUTION. THE UNDERLYING DOCUMENTS, THIS RESOLUTION  
15 NOW THAT THERE ISN'T MUCH LANGUAGE, MISCHARACTERIZED  
16 TIRE BURNING AS RECYCLING AND STATE A CLEAR PURPOSE.  
17 IT'S NOT IN THE RESOLUTION ANYMORE. I GUESS IT NEVER  
18 WAS, BUT THE CLEAR PURPOSE IN THE STAFF REPORT IS TO  
19 SUPPORT THE CEMENT KILN INDUSTRY, TO SUBSIDIZE THEIR  
20 FUEL NEEDS, AND ASSIST FUTURE PERMITS APPLICANTS WHO  
21 SEEK TO BURN TIRES IN THE STATE OF CALIFORNIA.  
22 SO WHAT I'VE BEEN HEARING TODAY FROM THE  
23 BOARD AND THE STAFF IS THAT THIS ISN'T ANY SERIOUS  
24 ACTION BY THE BOARD BECAUSE IT DOESN'T IN ANY WAY  
25 AFFECT LOCAL DECISION-MAKING, THAT THERE'S A CHECK ON



1 THIS, THAT YOU ARE JUST SAYING WE ARE GOING TO LOOK  
2 INTO THIS, IT SHOULD BE CONSIDERED, BUT THAT THE LOCAL  
3 DECISION OF THE AIR QUALITY DISTRICTS AND SUCH HAVE  
4 THEIR OWN AUTONOMY AND DISCRETION AND HAVE TO LOOK AT  
5 THESE FACTORS.  
6 ONE PROBLEM WITH THAT IS WHAT WE HEARD  
7 BEFORE, THAT THOSE DISTRICTS IN A WAY LOOK TO THIS  
8 BOARD FOR GUIDANCE ON THESE MATTERS. IF THIS BOARD IS  
9 SAYING THAT, BASED ON SCANT SCIENTIFIC EVIDENCE, THAT  
10 BURNING TIRES HAS NO REAL IMPACT ON EMISSIONS, THAT'S  
11 GOING TO HAVE SOME SWAY, MAYBE NOT IF THE AIR DISTRICTS  
12 ACTUALLY LOOK AT THE SCIENCE BECAUSE THERE IS NO  
13 SCIENCE. THERE IS NO CREDIBLE SCIENCE WHICH SUPPORTS  
14 BURNING TIRES.  
15 WHAT HAS HAPPENED IN THE FIVE YEARS SINCE  
16 THE POLICY WAS FIRST PASSED IS VERY SIGNIFICANT BECAUSE  
17 FIRST -- I'M JUMPING AROUND BECAUSE I HAD TO CHANGE  
18 THIS AS THE RESOLUTION WAS CHANGED -- CBE BROUGHT AN  
19 ACTION TO STOP A CEMENT COMPANY IN KERN COUNTY FROM  
20 BURNING TIRES. AND THE KERN COUNTY SUPERIOR COURT  
21 ISSUED AN ORDER, AFTER REVIEWING THE EVIDENCE OF  
22 HARMFUL ENVIRONMENTAL AND HEALTH IMPACTS, ISSUED AN  
23 ORDER ORDERING PORTLAND CEMENT COMPANY TO STOP BURNING  
24 TIRES AND ORDERED THE KERN COUNTY AIR DISTRICT TO  
25 WITHDRAW ITS OPERATING PERMIT AND SAID THAT ISSUING THE



1 PERMIT SHOULD HAVE TRIGGERED A FULL CEQA REVIEW.  
2 WHAT THIS BOARD APPEARS TO BE DOING IS  
3 PASSING A RESOLUTION AND SAYING THE AIR DISTRICTS ARE  
4 FREE TO REVIEW THIS AGAIN LATER AS IF IT'S A COMPLETELY  
5 SEPARATE PROJECT. IN FACT, THE WORD "PROJECT," NOT  
6 SURPRISINGLY, DOES APPEAR IN THE RESOLUTION. THE BOARD  
7 DIRECTS THE STAFF TO PROVIDE TECHNICAL SUPPORT WHEN  
8 REQUESTED WITHOUT BEING AN ADVOCATE FOR A SPECIFIC  
9 PROJECT. IT'S IMPOSSIBLE IN THE STATE OF CALIFORNIA TO  
10 IN ANY WAY ADVOCATE OR SUPPORT THE USE OF TIRE BURNING  
11 EVEN AS AN OPTION, NOT AS PRIMARY USE OF USED TIRES.  
12 IT'S IMPOSSIBLE TO SUPPORT THAT OR TO HAVE EDUCATIONAL  
13 PROGRAMS ON THAT WITHOUT SUPPORTING A SPECIFIC PROJECT.  
14 YOU CAN COUNT ON YOUR HANDS THE NUMBER OF  
15 KILNS THAT ARE GOING TO BE SEEKING PERMITS. AND YOU  
16 CANNOT SEPARATE, UNDER THE DEFINITION OF CEQA, WHAT A  
17 PROJECT IS FROM THIS RESOLUTION. THIS RESOLUTION IS  
18 INSEPARABLY TIED TO ALL THOSE PROJECTS. AND CEQA  
19 REQUIRES, AS YOU KNOW, THAT ANY AGENCY SUBMIT TO A  
20 PUBLIC REVIEW PROCESS, PREPARE AN ENVIRONMENTAL IMPACT  
21 REPORT BEFORE APPROVING A PROJECT WHEN A FAIR ARGUMENT  
22 CAN BE MADE THAT THE PROJECT WILL HAVE A SIGNIFICANT  
23 IMPACT ON THE ENVIRONMENT.  
24 CLEARLY HERE THERE'S A SIGNIFICANT IMPACT  
25 FROM TIRE BURNING ON THE ENVIRONMENT, CONTRARY TO WHAT



1 MAY APPEAR IN THE DAMES & MOORE REPORT. THE CALIFORNIA  
2 SUPREME COURT HAS HELD THAT THE ADOPTION OF A  
3 PROCEDURAL DOCUMENT BY A STATE AGENCY MAY BE CONSIDERED  
4 PART OF A LARGER DOCUMENT, LARGER PROJECT -- EXCUSE  
5 ME -- AND SUBJECT TO CEQA IF IT'S REASONABLY  
6 FORESEEABLE THAT THE DOCUMENT WILL CULMINATE IN HARM TO  
7 THE ENVIRONMENT.  
8 IN THAT CASE A ZONING CHANGE WAS FOUND  
9 TO BE PART OF A LARGER DEVELOPMENT PROJECT WHICH  
10 FOLLOWED BECAUSE IT WAS ANTICIPATED. WHY DID YOU MAKE  
11 A ZONING CHANGE IF YOU WEREN'T GOING TO HAVE  
12 DEVELOPMENT? HERE THERE'S NO REASON TO PASS A  
13 RESOLUTION THAT EVEN MENTIONS TIRE BURNING IF SOMEWHERE  
14 DOWN THE ROAD SOMEBODY S GOING TO HAVE A PROJECT TO  
15 BURN TIRES. AN ATTORNEY GENERAL REPORT WHICH FOLLOWED  
16 THAT DECISION SUGGESTED THAT, QUOTE, ORDINANCES AND  
17 RESOLUTIONS ADOPTED BY AGENCIES ARE PROJECTS WITHIN THE  
18 MEANING OF CEQA.  
19 THE PREVIOUSLY STATED PURPOSE OF THIS  
20 RESOLUTION, WHICH STILL EXISTS IN THE STAFF REPORT  
21 WHICH MAY OR MAY NOT PERTAIN -- LET US KNOW -- STATED  
22 THAT THE PURPOSE WAS TO INCREASE THE USE OF TIRE  
23 BURNING IN CALIFORNIA, MAKING IT PART OF A LARGER  
24 PROJECT, WHICH CLEARLY WILL HAVE SIGNIFICANT HARMFUL  
25 IMPACTS ON THE ENVIRONMENT. IN DETERMINING WHEN THIS



1 ACTION REQUIRES PRODUCTION OF AN EIR, COURTS HAVE  
2 SUGGESTED THAT THE AGENCY MUST CONSIDER THE CUMULATIVE  
3 EFFECTS OF PROBABLE FUTURE PROJECTS. SINCE THE  
4 RESOLUTION IS INTENDED TO ASSIST A FEW FACILITIES IN  
5 OBTAINING PERMITS TO BURN TIRES, THE BOARD MUST ADHERE  
6 TO CEQA BEFORE TAKING THIS ACTION AND CLEARLY HAS NOT  
7 DONE SO.  
8 LAST SUMMER AFTER A JUDGE IN KERN COUNTY,  
9 AN ELECTED JUDGE IN KERN COUNTY, REVIEWED THE EVIDENCE  
10 AND SHUT DOWN THE PORTLAND CEMENT KILN FROM BURNING  
11 TIRES, THEY WENT TO THE CALIFORNIA ASSEMBLY, AND  
12 REPRESENTATIVE FIRESTONE INCLUDED A PROVISION IN ONE OF  
13 HIS BILLS THAT WOULD HAVE ALLOWED FOR THE BURNING OF  
14 TIRES. THAT ELECTED BODY CONSIDERED THE SCIENTIFIC  
15 EVIDENCE, CONSIDERED THE ENVIRONMENTAL HEALTH EFFECTS  
16 OF BURNING TIRES, AND SOUNDLY DEFEATED THE BILL. THIS  
17 APPOINTED AND ELECTED POLITICAL BOARD NOW PUTS FORTH A  
18 RESOLUTION WHICH IGNORES CEQA, IGNORES THE WILL OF THE  
19 LEGISLATURE, IGNORES THE JUDICIAL AREA, AND MOST  
20 IMPORTANTLY IGNORES THE WILL OF THE PEOPLE WITH NO  
21 PURPOSE OTHER THAN TO BENEFIT NARROW FINANCIAL  
22 INTERESTS AND AVOID DOING ITS JOB OF ENCOURAGING  
23 REDUCTION, REUSE, RECYCLING OF SOLID WASTE. AS A STATE  
24 AGENCY, YOU DO NOT HAVE THAT AUTHORITY. HAPPY TO  
25 ANSWER A QUESTION.



1 BOARD MEMBER JONES: I HAVE A COUPLE  
2 QUESTIONS. FIRESTONE'S BILL, AB 375, WHICH TALKED  
3 ABOUT FEE COLLECTION AND DIFFERENT THINGS, IS BEING  
4 EQUATED THAT BECAUSE IT DIDN'T GO THROUGH, THAT WAS AN  
5 ENDORSEMENT NOT TO USE TIRES AS A FUEL SOURCE?

6 MR. WEISS: YES. WE HAVE STATEMENTS BY A  
7 NUMBER OF REPRESENTATIVES, ENOUGH THAT WOULD HAVE  
8 PASSED THE BILL, THAT THEIR MAIN OBJECTION WAS THE  
9 BURNING OF TIRES. AND WITHOUT THE TIRE BURNING  
10 PROVISIONS, WHICH MR. FIRESTONE REFUSED TO REMOVE, THE  
11 BILL WOULD HAVE PASSED.

12 BOARD MEMBER JONES: THE CHAIRMAN OF NATURAL  
13 RESOURCES THINKS THAT IT IS A LOCAL ISSUE, AS DO WE,  
14 THINKS THAT IF IT GETS THROUGH THE LOCAL PROCESS, THEN  
15 THOSE KILNS SHOULD BE ABLE TO BURN TIRES IF IT GETS  
16 THERE. THAT'S THE HEAD OF THAT COMMITTEE.  
17 ONE OF THE QUESTIONS THAT'S COME UP  
18 THROUGH THIS THAT HAS INTRIGUED ME IS YOU SAY YOU ARE  
19 DOING THIS FOR THE CEMENT KILNS, OKAY, YOU ARE HELPING  
20 THE CEMENT KILNS, YOU ARE DOING THIS AND THAT --

21 MR. WEISS: I'M NOT HELPING THE CEMENT KILNS.

22 BOARD MEMBER JONES: NO. NO. YOU ARE SAYING  
23 WE ARE. YOU'RE SAYING WE'RE DOING THIS --

24 MR. WEISS: THAT'S THE ONLY LOGICAL MOTIVE I  
25 CAN - -



1 BOARD MEMBER JONES: THAT'S FINE. TELL ME  
2 WHAT WE GET OUT OF IT. I'M INTERESTED. I REALLY WANT  
3 TO KNOW WHAT WE GET OUT OF IT.  
4 MR. WEISS: I DON'T KNOW.  
5 BOARD MEMBER JONES: UNDERSTAND THAT THERE ARE  
6 34 MILLION TIRES IN PILES THROUGHOUT THIS STATE.  
7 UNDERSTAND THAT SIX OF THOSE PILES WENT UP IN FLAMES  
8 LAST YEAR. THEY BURNED OPEN. THEY BURNED FOR WEEKS  
9 WITH NO ENVIRONMENTAL CONTROL TO MINIMIZE THE TOTAL  
10 ENVIRONMENTAL DEVASTATION THAT HAPPENS. THIS IS A  
11 MEANS TO AN END. WHEN YOU GET RID OF TIRE PILES IN THE  
12 STATE OF CALIFORNIA -- YOU KNOW THERE'S AN ISSUE --  
13 THERE'S A PREMISE ON SUPPLY AND DEMAND. IT'S A  
14 CAPITALISTIC-TYPE THEORY, THAT THE MORE SUPPLY YOU  
15 HAVE, THE LESS -- YOU KNOW, THE LOWER YOU ARE GOING TO  
16 GET THE PRICE.  
17 IMAGINE FOR A SECOND THAT IF, IN FACT,  
18 THERE ARE NO MORE TIRE PILES IN THE STATE OF  
19 CALIFORNIA, BECAUSE RIGHT NOW THERE'S ABOUT 275  
20 BILLION -- MILLION THROUGHOUT THE UNITED STATES, BUT  
21 JUST IN THE STATE OF CALIFORNIA, IF THOSE 34 MILLION  
22 ARE GONE AND WE'RE GOING TO RUBBERIZED ASPHALT AND  
23 WE'RE DOING MATS AND WE'RE DOING THOSE TYPES OF THINGS,  
24 IS THERE A MARKET? YEAH. IS THERE A SUPPLY? IT'S  
25 LIMITED TO 30 MILLION, NOT THE 64 MILLION THAT WE HAVE





1 TODAY, OF WHICH WE ARE ONLY HANDLING 14 MILLION.  
2 THAT'S SIMPLE MATH.  
3 THIS IS NOT ABOUT GIVING THE CEMENT --  
4 WE'RE USING THE CEMENT INDUSTRY. I MEAN I AM. IF HE  
5 CAN GET RID OF THE PROBLEM, THEN I'LL USE HIM. I DON'T  
6 HAVE A PROBLEM WITH THAT BECAUSE WHEN THOSE TIRES ARE  
7 GONE, THEN WE HAVE ELIMINATED THE BIGGEST ENVIRONMENTAL  
8 DISASTER THE STATE FACES. THAT'S HOW I SEE IT. AND IT  
9 JUST DRIVES ME NUTS -- PARDON ME -- WHEN THEY SAY, YOU  
10 KNOW, YOU ARE DOING THIS FOR THE CEMENT INDUSTRY. I'M  
11 NOT DOING IT FOR THEM. I'M DOING IT FOR YOU. I MEAN  
12 I'M DOING IT FOR 33 MILLION -- I CAN ONLY SPEAK FOR  
13 MYSELF, BUT I CAN TELL YOU THIS BOARD IS AN HONORABLE  
14 BOARD. THERE ARE 33 MILLION PEOPLE IN THIS STATE THAT  
15 ARE FACING THAT ENVIRONMENTAL DISASTER.  
16 AND I COULD HAVE ASKED STAFF TO BRING THE  
17 TAPE THAT WE HAD MADE TO SHOW THE FIRE DISTRICTS HOW TO  
18 FIGHT FIRES, HOW TO FIGHT THAT FIRE. COULD HAVE  
19 BROUGHT IT HERE TODAY. THAT WAS THE CONTEXT THAT WE  
20 TRIED TO LET PEOPLE UNDERSTAND WHAT IT MEANS TO SEE A  
21 TIRE FIRE BURNING FOR THREE MONTHS, FOUR MONTHS, SIX  
22 MONTHS, EIGHT MONTHS. WHAT'S THE ENVIRONMENTAL  
23 POLLUTION THAT'S GOING ON THAT DAY? AND WHICH WOULD  
24 YOU CHOOSE? WE'RE SPENDING ALL THIS, RIGHT? WHICH  
25 WOULD YOU CHOOSE?



1 MR. WEISS: THERE IS NO CHOICE BETWEEN  
2 STOCKPILES AND BURNING TIRES. THAT'S A FALSE CHOICE.  
3 IT LOOKS GOOD. IT WOULD BE INFLUENTIAL IF YOU CAME IN  
4 HERE AND PUT A TAPE OF A STOCKPILE BURNING OF A  
5 STOCKPILE WITH RATS AND RATTLESNAKES AND ALL THAT. IT  
6 WOULDN'T BE VERY INFLUENTIAL IF I CAME IN HERE WITH A  
7 TAPE OF DIOXIN IN THE AIR. YOU WOULDN'T SEE IT. IT'S  
8 A LOT EASIER TO GRASP. IT'S AN EASY ANSWER.  
9 I DON'T MEAN TO ASSIGN MOTIVES TO YOU  
10 THAT YOU WANT TO BENEFIT THE CEMENT INDUSTRY, BUT THE  
11 CEMENT INDUSTRY IS THE GREATEST BENEFICIARY FROM THIS.  
12 YOUR MOTIVE, MORE LIKELY, IS THAT IT'S AN EASY ANSWER.  
13 IT'S A HUGE PROBLEM THAT THERE ARE ALL THESE TIRES  
14 STOCKPILED, AND BURNING THEM IS AN EASY ANSWER.  
15 THEY'RE GONE. BUT THE EFFECTS OF BURNING THEM, THE  
16 DIOXIN IN PARTICULAR, ARE NOT REALLY ENTIRELY KNOWN.  
17 WHAT IS KNOWN IS VERY BAD AND WON'T BE KNOWN FOR  
18 GENERATIONS. IT'S REPRODUCTIVE TOXICITY. IT BUILDS UP  
19 IN TISSUES. IT GETS PASSED DOWN FROM GENERATION TO  
20 GENERATION, AND IT'S NOT SOMETHING YOU CAN SEE. IT'S  
21 NOT SOMETHING YOU CAN PUT IN A TAPE AND SHOW.  
22 ALL I'M SAYING IS THAT THIS BOARD'S  
23 ENERGY AND RESOURCES WOULD BE BETTER FOCUSED TOWARD  
24 REDUCTION, REUSE, AND RECYCLING. I HAVEN'T HEARD  
25 ANYTHING TODAY ABOUT OUT-OF-STATE MARKETS. ALL I'VE



1 HEARD ABOUT IS THERE ISN'T ENOUGH.

2 BOARD MEMBER JONES: THEY'RE BRINGING THEM TO  
3 US. I MEAN THEY'RE BRINGING THEM INTO THIS STATE.

4 MR. WEISS: MAYBE BECAUSE THEY'RE DOING  
5 SOMETHING WITH THEM HERE. BUT YOUR REPORT SAYS IF YOU  
6 USE IT ALL FOR RUBBERIZED ASPHALT, YOU WOULDN'T BE ABLE  
7 TO GET RID OF WHAT'S PRODUCED EVERY YEAR. I'VE SEEN  
8 OTHER REPORTS THAT SAY IF 2 PERCENT OF THE ROADS OF  
9 CALIFORNIA WERE REDONE EVERY YEAR, IT WOULD GET RID OF  
10 ALL OF THEM. WHEN YOU JUST THINK OF CALIFORNIA AS  
11 COMPARED TO OTHER STATES WITH NEWER ROADS AND MORE  
12 CARS, THERE HAS TO BE AN EXPORT MARKET. AND IT'S YOUR  
13 JOB TO PROMOTE THAT EXPORT MARKET TO CREATE THE  
14 INCENTIVES TO DO IT, AND I HAVEN'T HEARD THAT TODAY.

15 CHAIRMAN PENNINGTON: IT'S PRETTY HARD TO  
16 EXPORT TO ANOTHER STATE THAT'S HAVING THE SAME PROBLEM.

17 MR. WEISS: YEAH, BUT COMING FROM THE EAST, I  
18 KNOW THERE ARE A LOT MORE ROADS AND A LOT MORE EMPTY  
19 ROADS, A LOT LESS CARS, A LOT LESS TIRES BEING  
20 GENERATED, AND ROADS THAT ARE 80 PERCENT OF THEM IN  
21 DISREPAIR. EVERY ROAD IN NEW YORK PRETTY MUCH HAS BEEN  
22 REPAIRED IN THE LAST TEN YEARS. YOU KNOW, IF YOU GO  
23 AROUND THE NORTHEAST, THERE'S CONSTANT NEED FOR REPAIR,  
24 AND THEY DON'T MAKE RUBBERIZED ASPHALT THERE AS FAR AS  
25 I KNOW. THEY DIDN'T WHEN I WAS THERE THREE YEARS AGO,



1 AT LEAST. I DON'T HEAR OF THAT.

2 CHAIRMAN PENNINGTON: THEY'VE BEEN DOING IT  
3 ALL OVER THE COUNTRY FOR 30 YEARS THAT I KNOW OF, AND  
4 STILL YOU CAN'T GET THEM TO CATCH ON TO IT. BUT  
5 ANYWAY.

6 MR. WEISS: THANK YOU FOR THE TIME.

7 CHAIRMAN PENNINGTON: OKAY. NEXT IS DAVID  
8 WELLS.

9 MR. WELLS: FOR THE RECORD, MY NAME IS DAVID  
10 WELLS, AND I'D LIKE TO HAVE MY ADDRESS ENTERED, P.O.  
11 BOX 1523, FRESNO, CALIFORNIA 93716. AND MY E-MAIL  
12 ADDRESS IS DAVID-WELLS@ROCKETMAIL.COM, WHICH ROCKETMAIL  
13 IS ALL ONE WORD.

14 WE'RE OBVIOUSLY DEALING WITH AN ISSUE  
15 THAT HAS LOGIC VERSUS EMOTION.  
16 FOLKS, I WAS QUIET WHEN YOU SPOKE. WOULD  
17 YOU PLEASE DO ME THE SAME COURTESY?

18 I'M JUST A SIMPLE FARM BOY, POOR FARM  
19 BOY, I MIGHT ADD, FROM FRESNO, CALIFORNIA. AND I  
20 REALLY AM NOT TOO SMART. I DON'T HAVE A PH.D. OR  
21 ANYTHING LIKE THAT. I ONLY HAVE RECEIVED B.S -- I MEAN  
22 A B.S. DEGREE. AND BEING ON THE FARM, YOU KNOW,  
23 THERE'S A LOT OF THAT AROUND.

24 WHEN I GO INTO A LIBRARY AND I LOOK AT  
25 ALL THE BOOKS, I KIND OF UNDERSTAND HOW LITTLE I REALLY



1 KNOW. I DON'T GENERATE MUCH AIR POLLUTION BECAUSE I  
2 DON'T EVEN OWN AN OPERATING CAR. I RIDE A BICYCLE, BUT  
3 I DO GENERATE A LITTLE GASEOUS AIR POLLUTION BECAUSE  
4 BEING POOR I EAT A LOT OF BEANS. SO, YOU KNOW, IT ALSO  
5 HELPS ME GET BETTER ACCELERATION ON MY TAKE-OFF FROM  
6 THE STOP SIGNS.  
7 AND MY DADDY WASN'T TOO SMART. HE ONLY  
8 WENT THROUGH THE TENTH GRADE, AND HE MANAGED TO BE JUST  
9 SMART ENOUGH TO STAY MARRIED 66 YEARS. AND HE MADE A  
10 COUPLE OF MILLION DOLLARS BEFORE HE DIED. AND HE USED  
11 TO SAY, "DAVE, THERE'S SOME TRUTH TO EVERYTHING." SO  
12 I'M GOING TO PRESENT MY VIEWS RATHER SCHIZOID BECAUSE I  
13 SEE SOME TRUTH ON THIS SIDE, AND I SEE SOME TRUTH ON  
14 THIS SIDE. AS A MATTER OF FACT, I SEE A LOT OF TRUTH  
15 ON THIS SIDE, AND I SEE A LOT OF TRUTH ON THAT SIDE.  
16 AND I WANT TO EXPAND THIS DISCUSSION  
17 BECAUSE I THINK IT'S A MISNOMER WHEN IT SAYS THE USE OF  
18 WASTE TIRES AS FUEL SUPPLEMENT AT COAL-FIRED  
19 COGENERATION PLANTS AND CEMENT KILNS. I READ THE  
20 PROPOSED RESOLUTION, AND I DIDN'T SEE ANY MENTION OF  
21 THE WORDS "CEMENT KILN" THERE. CORRECT ME IF I'M  
22 WRONG, PLEASE. AND I DIDN'T SEE ANY MENTION OF  
23 COAL-FIRED COGENERATION PLANTS EITHER.  
24 SO I WOULD LIKE TO BROADEN THE DISCUSSION  
25 TO JUST PLAIN BURNING OF TIRES. I WOULD ALSO LIKE TO



1 ASK, NOT TO EMBARRASS ANYBODY, BUT I WOULD LIKE TO ASK

2 A SHOW OF HANDS FROM THE AUDIENCE OF ANYBODY THAT HAS

3 EVER HEARD OF RECUPERATED GASIFICATION OF TIRES. NO

4 HANDS SHOWING. LET THE RECORD SHOW THAT, PLEASE.

5 I WOULD LIKE TO ASK THE BOARD FOR A SHOW

6 OF HANDS, NOT TO EMBARRASS ANYBODY, BUT HAVE ANYBODY --

7 HAS ANYBODY ON THE BOARD EVER HEARD OF RECUPERATED

8 GASIFICATION?

9 BOARD MEMBER RELIS: GASIFICATION, NOT

10 RECUPERATED. I DON'T KNOW WHERE RECUPERATED COMES

11 FROM.

12 MR. WELLS: SO THERE HAS BEEN ONE MEMBER OF

13 THE BOARD THAT HAS HEARD OF --

14 BOARD MEMBER JONES: NO. NO. NO. NO.

15 MR. WELLS: EVERYBODY HAS HEARD OF

16 GASIFICATION, BUT NOT RECUPERATED GASIFICATION. OKAY.

17 NOW THAT WE HAVE SOME OF THE GROUND RULES ESTABLISHED,

18 AND I WOULD ALSO LIKE FOR THE, RECORD JUST TO SEE A SHOW

19 OF HANDS IN THE AUDIENCE OF ANYBODY THAT CAME TO THIS

20 MEETING WITHOUT --

21 BOARD MEMBER FRAZEE: THIS LINE OF QUESTIONING

22 IS NOT APPROPRIATE.

23 CHAIRMAN PENNINGTON: MR. WELLS.

24 MR. WELLS: IT'S NOT APPROPRIATE. FINE. I

25 WOULD LIKE TO STATE THAT WHAT I'M SAYING IS THAT I PUT



1 MY MONEY WHERE MY MOUTH IS. AND I WOULD LIKE TO  
2 CHALLENGE ALL THESE FOLKS WHO SPOKE AGAINST THIS  
3 RESOLUTION TO PUT THEIR MONEY ALONG WITH MY MONEY TO DO  
4 A TEST AND FOR THEM TO FURNISH THE SCIENTISTS TO DEFINE  
5 THE TEST --  
6 MADAM DENTIST, MADAM DENTIST, WOULD YOU  
7 PLEASE LISTEN CAREFULLY? I'M CHALLENGING YOUR  
8 ORGANIZATION HERE. I WOULD LIKE YOU TO FURNISH THE  
9 SCIENTISTS WITH ME TO DO A TEST, THE LARGEST TEST EVER  
10 DONE IN THE WORLD, OF THE RECUPERATED GASIFICATION OF  
11 TIRES, WHICH MANY PEOPLE CALL BURNING TIRES, AND I WILL  
12 PUT UP \$2 MILLION. AND I WOULD CHALLENGE YOU AND ALL  
13 YOUR ORGANIZATIONS, THE SIERRA CLUB, TO PUT UP YOUR \$2  
14 MILLION. AND I'M DEAD SERIOUS.

15 UNIDENTIFIED SPEAKER: WE DON'T HAVE IT. I'M  
16 SORRY.

17 MR. WELLS: OKAY. THAT'S FINE. YOU PUT UP 50  
18 PERCENT OF IT IN PAYMENT IN KIND FROM YOUR  
19 SCIENTISTS --

20 BOARD MEMBER FRAZEE: MR. CHAIRMAN.

21 CHAIRMAN PENNINGTON: MR. WELLS, WE REALLY  
22 NEED TO GET ON WITH --

23 MR. WELLS: WHAT I'M TRYING TO SAY IS I FEEL  
24 THAT I CAN SOLVE YOUR PROBLEM BY SCIENTIFICALLY  
25 FURNISHING THE EVIDENCE THAT YOU NEED TO BACK UP YOUR



1 POSITION, AND I WILL BE HAPPY TO PUT THAT AMOUNT OF  
2 MONEY ON THE LINE TO DO THAT IF I GET COOPERATION FROM  
3 THESE ORGANIZATIONS AND YOUR ORGANIZATION AND THE STATE  
4 OF CALIFORNIA, AND WE WILL CONSTRUCTIVELY BE ABLE TO  
5 BURN TIRES.

6 MR. CHANDLER: MR. CHAIRMAN, COULD I SUGGEST  
7 THAT PERHAPS THIS TAKE THE FORM OF A GRANT PROPOSAL AT  
8 SOME FUTURE DATE WITH ANY PARTNERSHIPS THAT HE MAY LIKE  
9 TO FORM. WE HAVE PROGRAMS THAT ALLOW FOR INNOVATIVE  
10 DEMONSTRATION PROJECTS.

11 MR. WELLS: BUT IF YOU DON'T PASS THIS  
12 RESOLUTION, IT WON'T BE ALLOWED, YOU SEE.

13 MR. CHANDLER: I'M JUST SAYING THIS IS NOT THE  
14 SUBJECT OF WHAT WE'RE REALLY HERE TO DEBATE.

15 MR. WELLS: IF YOU DON'T PASS THE RESOLUTION,  
16 THIS WON'T BE NEARLY AS EASY TO ACCOMPLISH OR ALLOW.  
17 THAT'S MY POINT. AND --

18 CHAIRMAN PENNINGTON: I THINK WE CAN HAVE A  
19 GRANT WHETHER WE HAVE THIS RESOLUTION OR NOT. WE'D BE  
20 HAPPY TO ACCEPT A GRANT FROM YOU, AND WE CERTAINLY  
21 WOULD DILIGENTLY LOOK AT IT.

22 MR. WELLS: AND I WOULD LIKE TO CHALLENGE  
23 THESE MEMBERS --

24 CHAIRMAN PENNINGTON: IF YOU WANT TO CHALLENGE  
25 THEM, HOW ABOUT YOU CHALLENGE THEM AT SOME OTHER POINT.





1 MR. WELLS: THAT'S FINE. SO, THEREFORE, WHAT  
2 I'M SAYING IS I ENDORSE THE RESOLUTION AS IT STANDS.  
3 WOULD LIKE TO SEE IT BROADENED FROM THE STATEMENT IN  
4 PARTICULAR THAT WAS A LITTLE BIT UNCLEAR WHERE IT  
5 SAYS -- GEE, I BEG YOUR PARDON. I'VE GOT SO MANY NOTES  
6 THAT I'VE TAKEN HERE THAT I MISLAID THE WORDING -- I  
7 BELIEVE IT WAS THE THIRD FROM THE BOTTOM PARAGRAPH. IT  
8 SAYS THE -- PORTION WHERE IT SAYS BUT TO ADVISE AND  
9 PROVIDE INFORMATION TO THE PUBLIC ABOUT SOLID WASTE  
10 MANAGEMENT POLICIES AND PRACTICES. I WOULD ALSO LIKE  
11 TO ASK THAT IT WOULD BE BROADENED TO INCLUDE THE  
12 TESTING OF -- FOR SCIENTIFIC DATA AND SUBSTANTIATION.  
13 THANK YOU.

14 CHAIRMAN PENNINGTON: THANK YOU. AND FINALLY  
15 EVAN EDGAR.

16 MR. EDGAR: GOOD EVENING. MY NAME IS EVAN  
17 EDGAR. I'M THE DIRECTOR OF REGULATORY AFFAIRS FOR THE  
18 CALIFORNIA REFUSE REMOVAL COUNCIL. WE ARE A BROADBASED  
19 GROUP, ABOUT 120 DIFFERENT COMPANIES STATEWIDE. WE ARE  
20 THE COLLECTORS OF WASTE TIRES ALONG WITH MSW. WE HAVE  
21 50 MRF AND TRANSFER STATIONS, AND WE'VE BEEN DEALING  
22 WITH TIRES FOR A LONG TIME. AND WE'VE BEEN WATCHING  
23 THE BOARD OVER THE LAST EIGHT YEARS DOING EVERYTHING  
24 POSSIBLE IN THE NAME OF ALTERNATIVE MARKETS WITH  
25 REGARDS TO RUBBERIZED ASPHALT CONCRETE WITH CALTRANS.



1 THE RECORD SPEAKS FOR ITSELF. THE WASTE BOARD HAS DONE  
2 THEIR JOB IN ALL ASPECTS, ALTERNATIVE MARKETS.  
3 TODAY I SPOKE ABOUT MARKETS, MARKETS,  
4 MARKETS WITH AB 939 WITH REGARDS TO PLASTICS, AND IT  
5 COMES DOWN TO MARKET DEVELOPMENT. I BELIEVE WHAT THIS  
6 PROPOSAL DOES IS A MARKET DEVELOPMENT PROPOSAL. AND  
7 OUR INDUSTRY, THE CALIFORNIA REFUSE REMOVAL COUNCIL,  
8 SOLID WASTE INDUSTRY, NOT THE CEMENT KILN PEOPLE, HAVE  
9 TO DEAL WITH THIS EVERY DAY. THERE'S A LOT OF LEGACY  
10 PILES THROUGHOUT THE STATE THAT WE DON'T ADD TO, THAT  
11 OTHER PEOPLE OUT THERE THAT HAVE NO OTHER OUTLETS ARE  
12 CREATING THESE LEGACY PILES, BUT WE ARE TRYING TO FIND  
13 THE RIGHT MARKETS.  
14 AS LANDFILL OPERATORS -- I REPRESENT 12  
15 DIFFERENT LANDFILLS -- WE HAVE TO DEAL WITH THESE AT  
16 THE STATE OF CALIFORNIA THAT DOESN'T ALLOW THE BURIAL  
17 OF WHOLE TIRES, AND WE DON'T LIKE TO SEE THEM AT THE  
18 LANDFILLS. SO WE ARE LOOKING AT ALTERNATIVE MARKETS,  
19 AND WE BELIEVE THAT TDF IS A PRODUCTIVE END USE.  
20 SPEAKING TO DEBORAH BOWEN'S OFFICE WITH  
21 AB 964, THE HONORABLE DEBORAH BOWEN, IN HER BILL THAT  
22 GOT OUT OF ASSEMBLY NATURAL RESOURCES LAST WEEK, SHE  
23 HAS DEFINED TDF AS A PRODUCTIVE END USE. SO THE  
24 HONORABLE ASSEMBLY HAS GONE ON RECORD, PASSED OUT OF  
25 ASSEMBLY NATURAL RESOURCES THAT ENERGY RECOVERY OF



1 WASTE TIRES IS A PRODUCTIVE END USE.  
2 OUR LOCAL TRADE ASSOCIATION DOWN IN THE  
3 INLAND EMPIRE DOWN IN VICTORVILLE, THE INLAND EMPIRE  
4 DISPOSAL ASSOCIATION HAS ADOPTED A RESOLUTION  
5 SUPPORTING TDF AS A VALUED PRODUCT, AND I HAVE A COPY  
6 OF THAT RESOLUTION HERE THAT HAS ALREADY BEEN SUBMITTED  
7 INTO THE RECORD, I BELIEVE, EARLIER TODAY.  
8 AT CRRC, WE HANDLE THE WASTE TIRES. WE  
9 ARE STAKEHOLDERS. WE NEED LOCAL MARKETS IN ORDER TO  
10 HAUL THEM TO. WE NEED A COST-EFFECTIVE WAY TO DISPOSE  
11 OF THEM, AND WE BELIEVE THAT TDF IS A VERY COST-  
12 EFFECTIVE SOLUTION IN ORDER TO HANDLE THE WASTE TIRE  
13 ISSUE, BUT WE SUPPORT ALL MARKETS, LIKE THE WASTE BOARD  
14 DOES, AND WE'RE LOOKING FOR ANY MARKET POSSIBLE TO  
15 HANDLE THIS IN A RESPONSIBLE MANNER INSTEAD OF WATCHING  
16 THESE LEGACY PILES BURN THROUGHOUT THE STATE.  
17 SO ON BEHALF OF THE CRRC AND THE INLAND  
18 EMPIRE DISPOSAL, WE SUPPORT THE RESOLUTION, THE REVISED  
19 ONE. IT'S, RATHER BROAD; IT'S A REAFFIRMATION OF 1992:  
20 WE BELIEVE THAT THE RESOLUTION IS CLEAR. IT SAYS  
21 CONTINUING THE MARKET DEVELOPMENT OF THE WASTE TIRES  
22 AND SAYS CONTINUE TO PROVIDE TECHNICAL ASSISTANCE.  
23 IN REGARDS TO SB 1299, THE PERMIT  
24 CONSOLIDATION ZONE, THAT'S NOT THE AUTHORITY OF THE  
25 WASTE. THAT'S A CAL-EPA PROGRAM THAT ANYBODY ANYWHERE



1 HAS IN ANY MULTIPLE PERMITS FROM ENVIRONMENTAL AGENCIES  
2 BY CAL-EPA CAN EXERCISE THE USE OF SB 1299, SO IT'S NOT  
3 ANYTHING THAT YOU GUYS ARE DOING HERE AT THE WASTE  
4 BOARD ON PERMIT STREAMLINING. REALLY ANYBODY AND ANY  
5 PROJECT CAN USE THAT AT ANY TIME.  
6 SO CRRC WILL CONTINUE TO COLLECT WASTE  
7 TIRES AND MARKET THEM, WE'LL CONTINUE TO USE TDF AS A  
8 PRODUCTIVE END MARKET, AND WE SUPPORT THE RESOLUTION  
9 TODAY. THANK YOU. AFTER A VERY LONG DAY, WE URGE YOUR  
10 SUPPORT.

11 CHAIRMAN PENNINGTON: THANK YOU, MR. EDGAR.

12 BOARD MEMBER GOTCH: MR. CHAIR, IF I MAY MAKE  
13 MY COMMENTS NOW. WHILE I RECOGNIZE THE CONCERNS OF  
14 LEGACY TIRE FIRES, I WOULD NOT SUPPORT A POLICY THAT  
15 SINGLES OUT AND ADVOCATES TIRE-DERIVED FUEL; HOWEVER, I  
16 DON'T THINK WE HAVE TO WORRY ABOUT THAT TODAY BECAUSE  
17 THIS NEWEST RESOLUTION DOESN'T MENTION DOING THAT. IN  
18 FACT, IT MERELY REAFFIRMS PREVIOUS BOARD FINDINGS FROM  
19 '93 REGARDING TIRE-DERIVED FUEL.

20 BUT SECONDLY, I HAVE CONCERNS WITH THE  
21 TITLE OF THE DRAFT RESOLUTION. IT'S NOT LEGALLY --  
22 IT'S NOT THE LEGALLY NOTICED TITLE FOR THIS AGENDA  
23 ITEM. AND EVEN IF WE WERE TO CHANGE THE TITLE ON THE  
24 DRAFT RESOLUTION BACK TO THE ORIGINAL TITLE WHICH WAS  
25 NOTICED, THE TITLE WOULD NOT BE INDICATIVE TO WHAT THE



1 RESOLUTION STATES, NOR WHAT THE ITEM REPORTS. DO WE

2 HAVE SOME CONCERNS WITH THAT LEGALLY?

3 BOARD MEMBER JONES: I THINK THAT --

4 MS. TOBIAS: I DIDN'T KNOW IF YOU WANTED ME TO

5 RESPOND OR MR. JONES.

6 BOARD MEMBER JONES: NO, GO AHEAD.

7 MS. TOBIAS: MY FEELING ON THIS IS THAT SINCE

8 THE RESOLUTION, THE PROPOSED DRAFT RESOLUTION, HAS COME

9 FROM A BOARD MEMBER, AND THAT THE PARTIES WHO ARE

10 INTERESTED IN THIS ARE HERE, THEY'VE COME BASICALLY TO

11 HEAR THIS, I DON'T HAVE A PROBLEM WITH A CHANGE IN THE

12 TITLE OF THE RESOLUTION TO REFLECT THAT THERE'S AN

13 ATTEMPT BEING MADE TO -- I DON'T WANT TO TRY TO

14 CHARACTERIZE IT -- BUT TO COMPROMISE OR TO COME UP WITH

15 SOMETHING DIFFERENT.

16 I THINK THE INTENT OF THE NOTICING IS TO

17 MAKE SURE THAT THE PARTIES WHO ARE INTERESTED IN THE

18 ITEM ARE THERE AT THE MEETING AND ABLE TO HEAR IT. SO

19 IN THAT SENSE I DON'T HAVE A PROBLEM IF THE RESOLUTION

20 IS GOING TO HAVE A TITLE THAT MORE ACCURATELY REFLECTS

21 WHAT IT'S ALL ABOUT.

22 BOARD MEMBER GOTCH: AND STILL, THOUGH, THE

23 RESOLUTION DOES NOT REFLECT WHAT THE ITEMS REPORTS, AS

24 WAS BROUGHT UP BY ONE OF THE SPEAKERS EARLIER.

25 MS. TOBIAS: RIGHT. AND I SEE THAT AS AN



1 OUTGROWTH OF THE INFORMATION THAT'S BEEN PROVIDED IN  
2 THE ITEM. SO FROM MY STANDPOINT, I FEEL LIKE THE  
3 NOTICING ASPECT HAS BEEN MET HERE BECAUSE THE PARTIES  
4 ARE HERE. I GUESS --

5 UNIDENTIFIED SPEAKER: MILLIONS OF PEOPLE ARE  
6 NOT HERE.

7 MS. TOBIAS: I THINK I'M FINISHED WITH WHAT I  
8 HAVE TO SAY.

9 BOARD MEMBER FRAZEE: MR. CHAIRMAN, I JUST  
10 FIND IT IRONIC THAT THIS WAS BROUGHT UP BECAUSE I THINK  
11 I'M ALMOST ALONE ON THIS BOARD IN ADOPTING RESOLUTIONS  
12 OR MAKING MOTIONS BY NUMBER AND BY TITLE. AND MOST  
13 OTHER MEMBERS MERELY SAY ADOPT STAFF RECOMMENDATION,  
14 WHATEVER THAT IS. THEY' DON'T EVEN PAY ANY ATTENTION TO  
15 WHAT THE HEADING IS ON THE TITLE. SO I THINK IT'S A  
16 LITTLE IRONIC THAT THAT'S RAISED IN THIS ISSUE.

17 BOARD MEMBER GOTCH: BUT YOU MIGHT HAVE  
18 NOTICED THAT I DID ASK EARLIER ABOUT THE RESOLUTION  
19 THAT WAS MISSING FROM AN EARLIER ITEM, I MIGHT POINT  
20 OUT.

21 CHAIRMAN PENNINGTON: MR. JONES.

22 BOARD MEMBER JONES: YOU KNOW, I OFFERED THIS  
23 DRAFT -- I OFFERED IT FIRST THING THIS MORNING BECAUSE  
24 IT WAS A COMPROMISE. IT'S THE PROCESS. I MEAN THE  
25 PROCESS WORKS. YOU KNOW, WE HAD AN ITEM. I COULD HAVE



1 OFFERED THIS SAME LANGUAGE AND HAD THE TITLE THAT HAD  
2 BEEN ORIGINALLY DONE, AND PEOPLE WOULD HAVE READ THE  
3 TITLE AND NEVER WOULD HAVE READ THE RESOLUTION. SO I  
4 THINK THE PROCESS WORKS. THAT'S WHY, YOU KNOW, I LEFT  
5 THE SAME TITLE.

6 I'M OFFERING THIS AS A -- I'M OFFERING  
7 THIS AS A RESOLUTION INSTEAD OF ANY OF THE STAFF  
8 RECOMMENDATIONS. AND I DON'T THINK I HAVE TO FORMALLY  
9 READ IT. I THINK I GAVE IT OUT ALREADY. RESOLUTION  
10 98-03, ADOPTION OF A POLICY THAT SUPPORTS THE  
11 DEVELOPMENT OF MARKETS FOR WASTE TIRES. AND THIS WAS A  
12 REAL EFFORT TO TRY TO TAKE IN EVERYBODY'S CONCERNS.  
13 AND I THINK THAT THE DISCUSSION HAS BEEN PRETTY GOOD  
14 TODAY ABOUT THOSE THINGS.

15 BOARD MEMBER RELIS: MR. CHAIR, COULD I  
16 SPEAK? WELL, I HAVE TO SAY THIS HAS BEEN A -- I GUESS  
17 MY FINAL HEARING, BUT IT'S DEFINITELY THE STRANGEST ONE  
18 I'VE EVER EXPERIENCED. AND I'VE GOT A COUPLE OF THINGS  
19 TO SAY THAT I FEEL PRETTY STRONG ABOUT.  
20 FIRST, I THINK THIS BOARD HAS BEEN  
21 ATTACKED. I MEAN I REALLY FEEL THAT I'VE SAT THROUGH  
22 70 SOME HEARINGS. AND THE MOTIVES OF US, THE SENSE OF  
23 THAT SOMEHOW WE ARE NOT INTERESTED IN PROMOTING A  
24 HIERARCHY OF WASTE MANAGEMENT, I TAKE SOME OFFENSE TO  
25 THAT. I'VE WORKED SIX AND A HALF YEARS ON THIS BOARD,



1 CHAIRING FOR MOST OF THAT TIME THE MARKETS COMMITTEE,  
2 LOOKING AT ALL THE ALTERNATIVES THAT ALL OF YOU ARE SO  
3 SURE ABOUT, YOU KNOW, THAT YOU CAN JUST SUGGEST THAT  
4 THESE ARE JUST GOING TO COME FLYING OUT OF THE NEXT  
5 TURN.  
6 AND I WISH YOU'D DO THE KIND OF HOMEWORK  
7 ON THE BOARD'S WORK THAT YOU ARE SAYING WE DIDN'T DO ON  
8 THE AIR QUALITY STUFF. I MEAN YOU ARE ALL VERY WELL  
9 EDUCATED AND YOU ARE VERY PROFESSIONAL EXCEPT IN THAT  
10 REGARD. I DON'T THINK YOU'VE DONE YOUR HOMEWORK ON  
11 CRUMB RUBBER ALTERNATIVES THAT YOU THINK ARE SO READILY  
12 AVAILABLE.  
13 I MEAN WE READ THE LITERATURE. WE GO TO  
14 THE CONFERENCES. OUR STAFF DOES. THIS IS SERIOUS.  
15 WHEN WE SAY WE DON'T SEE THAT THERE'S AN ALTERNATIVE  
16 FOR CRUMB RUBBER CONSUMING ALL THE TIRES IN THE STATE,  
17 BELIEVE ME, I'D LIKE TO SEE IT HAPPEN, BUT IT ISN'T  
18 GOING TO HAPPEN IN THE FRAMEWORK OF A FEW YEARS OR  
19 PROBABLY FIVE YEARS.  
20 NOW, HAVING SAID THAT, AND I'LL SAY A  
21 LITTLE BIT MORE LATER ON, YOU'VE MADE AN ACCUSATION,  
22 AND THIS IS ONE THAT I DO TAKE SERIOUSLY, THAT THE  
23 DAMES & MOORE REPORT IS JUNK SCIENCE. THAT DISTURBS  
24 ME. THERE ARE EIGHT PEOPLE, REPUTED SCIENTISTS, WHO  
25 HAVE DONE A PEER REVIEW OR WHAT YOU CALL YOUR - - AND





1 THIS IS NOT A DISPARAGING REMARK. THIS IS -- YOU HAVE  
2 IDENTIFIED EIGHT SCIENTISTS WHO YOU CLAIM HAVE DONE AN  
3 INDEPENDENT PEER REVIEW OF THE DAMES & MOORE WORK. I  
4 DON'T HAVE THAT BEFORE ME. THAT'S A VERY SIGNIFICANT  
5 ASSERTION. I'D LIKE TO SEE IT. I DON'T HAVE TIME TO  
6 SEE IT. THIS IS MY LAST BOARD MEETING.  
7 THAT DOES BOTHER ME BECAUSE, IN EFFECT,  
8 YOU ARE SAYING THAT THE AIR BOARD, OUR STAFF, DAMES &  
9 MOORE, CONSULTANT TO THIS BOARD, DON'T KNOW WHAT  
10 THEY'RE DOING. I MEAN THAT'S HOW I READ IT, AND I  
11 DON'T FEEL WE CAN LET THAT GO UNANSWERED.  
12 I MEAN WE HAVE A RESPONSIBILITY TO ANSWER  
13 OUR CRITICS. AND THE STATE -- IF THE AIR BOARD --  
14 WE'RE NOT THE EXPERT AI QUALITY ENTITY. I FEEL LIKE  
15 WE'RE GETTING KIND OF ALL THE BAGGAGE OF ALL THE AIR  
16 ISSUES, AND OUR JOB IS TO DEAL WITH AN INTEGRATED WASTE  
17 SYSTEM. IN FACT, I WOULD SAY THAT IF YOUR REAL  
18 INTEREST, AND LET'S GET BOTTOM LINE HERE, IS NOT TO  
19 HAVE TIRES BURN, PERIOD, EVER, ANYWHERE, YOUR ISSUE'S  
20 WITH THE LEGISLATURE, NOT WITH THIS BOARD BECAUSE THIS  
21 BOARD IS ABOUT -- WE'RE REQUIRED UNDER STATUTE TO  
22 PURSUE AN INTEGRATED WASTE MANAGEMENT PROGRAM. AND  
23 THAT MEANS REDUCTION, RECYCLING, TRANSFORMATION, AND  
24 LANDFILL. THAT'S WHAT THE STATUTE SAYS. THAT'S WHAT  
25 WE'RE OBLIGATED TO DO.



1 NOW, YOU MAY THINK THAT, WELL, WE PUT THE  
2 TIRES AT THE FRONT AND THEY SHOULD BE AT THE BOTTOM,  
3 BUT THE FACT IS THERE'S NOTHING IN THE STATUTE. IN  
4 FACT, WE WOULD BE REMISS IN OUR ROLE WERE WE NOT TO  
5 INCLUDE INCINERATION AS AN OPTION. I MEAN IT'S STATED  
6 IN THE LAW. THAT IS THE LAW THAT WE OPERATE UNDER.  
7 50 I THINK, PUTTING ASIDE THE SCIENTIFIC  
8 QUESTION, YOU NEED TO LOOK AT WHAT OUR LEGAL AUTHORITY  
9 AND OUR SCOPE OF WORK IS AS AN ENTITY, AND THAT ENTITY  
10 SAYS WE MUST LOOK AT ALL THESE OPTIONS.  
11 50 IN CONCLUSION, AS TO WHAT I HAVE TO  
12 SAY HERE TODAY, I THINK IT WOULD BE IN THE BOARD'S  
13 INTEREST TO SEND -- GET THE WORK THAT YOU ARE  
14 REFERENCING FROM THE EIGHT PEOPLE, LOOK IT OVER. I  
15 WISH I WOULD BE HERE NEXT MONTH. I DON'T KNOW HOW  
16 QUICK YOU CAN TURN THAT AROUND. BUT THAT'S THE ONLY,  
17 FRANKLY, THE ONLY ARGUMENT I'VE HEARD HERE TODAY THAT  
18 WOULD MAKE ME EVEN PAUSE BECAUSE I THINK WE'VE DONE  
19 EVERYTHING ELSE. I CAN'T ANSWER THE SCIENTIFIC  
20 CREDENCE OF OUR STUDY, AND I THINK WE MUST HAVE IT  
21 ANSWERED UNEQUIVOCALLY.

22 MR. BRAND: SIR, WHAT ABOUT ALL THE DATA I  
23 SHOWED YOU?

24 BOARD MEMBER RELIS: WELL, YOU JUST SHOWED ME  
25 DATA. I'M NOT IN A POSITION TO INTERPRET THAT HERE.



1 THAT HAS TO BE DONE BY THE QUALIFIED STAFF WHO DO THOSE  
2 THOSE THINGS, OEHHA, AIR BOARD STAFF --

3 CHAIRMAN PENNINGTON: WE'RE NOT GOING TO HAVE  
4 A DEBATE NOW.

5 BOARD MEMBER RELIS: I'M SAYING JUST BECAUSE  
6 YOU PUT FIGURES UP, WHY SHOULD I ASSUME, ESPECIALLY IN  
7 THE SPIRIT, THE KIND OF HOSTILITY I'VE HEARD HERE TODAY  
8 THAT -- DIRECTED OUR WAY, THAT WE HAVE NO CREDIBILITY  
9 AND THAT NONE OF THE STUDIES WE COMMISSION WE CARE  
10 ABOUT OR THAT THE CONTRACTORS THAT WE HIRE HAVE NO  
11 SCIENTIFIC CREDIBILITY, WHICH, AGAIN, IS THE CLAIM. I  
12 JUST FEEL WE MUST ANSWER THAT, SO I THINK IT SHOULD  
13 BE --

14 CHAIRMAN PENNINGTON: MR. FRAZEE.

15 BOARD MEMBER FRAZEE: THANK YOU, MR.  
16 CHAIRMAN. I CERTAINLY HAVE FEELING FOR THOSE WHO SPOKE  
17 TODAY AND IN THEIR DESIRE, WHICH REALLY THE BOTTOM LINE  
18 IS TO BAN TIRE BURNING AS A PRACTICE IN THE STATE OF  
19 CALIFORNIA. I THINK THAT'S FAIRLY CLEAR. WE HAVE A --  
20 AND THAT'S WELL AND GOOD. THAT PERHAPS IF I LIVED IN A  
21 NEIGHBORHOOD WHERE THERE WAS A CEMENT KILN AND THE  
22 POTENTIAL FOR TIRE BURNING, I MIGHT BE ON YOUR SIDE.  
23 BUT I, AS A MEMBER OF THIS BOARD, AND I  
24 THINK THIS BOARD AS A WHOLE HAS TO LOOK AT A BROADER  
25 PICTURE, AND THAT BROADER PICTURE INCLUDES WHAT'S THE



1 ALTERNATIVE TO NOT BURNING TIRES.  
2 AND MR. JONES OUTLINED SOME OF THOSE, THE  
3 DISASTER POTENTIAL THAT'S OUT THERE, THE VERY FACT THAT  
4 THE NUMBER, THE SHEAR NUMBER OF TIRES THAT JUST CANNOT  
5 BE CONSUMED THROUGH ALL OF OUR GOOD EFFORTS. PERHAPS  
6 SOMEDAY, AND I SUGGESTED THIS RECENTLY, THAT SOMEDAY  
7 THAT MAY BE APPROPRIATE, BUT NOT IN TODAY'S CLIMATE.  
8 I FIND IT INTERESTING THAT ALL OF THE  
9 INFORMATION THAT'S BEEN BROUGHT FORWARD ON RUBBERIZED  
10 ASPHALT, BUT IT'S MY UNDERSTANDING RUBBERIZED ASPHALT  
11 IS HEATING OF TIRES TO AN EXTREME TEMPERATURE IN OPEN  
12 ENVIRONMENT AND PROBABLY RELEASES MORE POLLUTANTS THAN  
13 TIRES BURNED IN A CONTROLLED ENVIRONMENT. AND SO  
14 THAT'S A CONSIDERATION THAT WE HAVE TO TAKE, THE FACT  
15 THAT BURNING OF THESE TIRES HAS A POSITIVE  
16 ENVIRONMENTAL EFFECT FROM THE FACT THAT IT MEANS OIL  
17 THAT DOES NOT HAVE TO BE DRILLED AND PUMPED OUT OF THE  
18 GROUND OR BOUGHT FROM SOME MIDDLE EASTERN COUNTRY OR  
19 COAL THAT'S COMING IN FROM AUSTRALIA OR EVEN OPEN-PIT  
20 MINING IN THE WESTERN PART OF THIS COUNTRY. ALL OF  
21 THOSE ARE ALTERNATIVES. THIS BURNING IS GOING ON  
22 ANYWAY. AND THIS IS PART OF THAT -- THAT PROCESS OF  
23 GETTING THESE LEGACY PILES NARROWED DOWN AND GETTING  
24 THIS THING TO A SIZE THAT WE CAN MANAGE IT.  
25 I FIND JUST A COUPLE OF THINGS RATHER



1 INTERESTING. FIRST, THE SOUTHERN CALIFORNIA AIR  
2 QUALITY DISTRICT, I'M A SOUTHERN CALIFORNIAN, IS -- HAS  
3 A REPUTATION FOR BEING THE MOST STRINGENT AIR QUALITY  
4 DISTRICT IN THIS NATION. AND THEY, AS A POLICY,  
5 RECOMMEND THE BURNING OF TIRES AND HAVE APPROVED THAT.  
6 THE ACTION OF THE LEGISLATURE, AND I THINK THIS WAS  
7 CITED BY MR. RELIS, ALSO INDICATES AND IT'S BEING  
8 REAFFIRMED AS WE SPEAK IN THE LEGISLATURE THAT BURNING  
9 OF TIRES IS AN ACCEPTABLE PRACTICE.  
10 BUT GOING BACK TO MY DAYS IN THE  
11 LEGISLATURE, WE ENCOURAGED THE PAST LEGISLATION THAT  
12 AUTHORIZED THE CONSTRUCTION OF THE MELP PLANT THAT  
13 BURNS A HUNDRED PERCENT TIRES AND, AS I UNDERSTAND IT,  
14 MEETS AIR QUALITY STANDARDS IN THIS STATE DAY IN AND  
15 DAY OUT AND BURNS 100 PERCENT TIRES. AND THAT WAS AN  
16 ACTION OF THE LEGISLATURE THAT AUTHORIZED THAT. IT WAS  
17 FINANCED THROUGH ASSISTANCE FROM THE STATE OF  
18 CALIFORNIA, SO ALL OF THESE THINGS ARE POLICIES THAT  
19 HAVE ALL COME TOGETHER TO LEAD US TO THIS CONCLUSION.  
20 50 TO ME IT'S, YOU KNOW, PERHAPS NOT THE  
21 MOST DESIRABLE THING TO DO, BUT ALL THINGS CONSIDERED,  
22 IT'S ONE THAT WE MUST UNDERTAKE. AND I THINK THAT THE  
23 RESOLUTION THAT'S BEFORE US IS VERY CLEAR AND THAT IT  
24 DOES NOT STATE TIRE-DERIVED FUEL AS A PRIORITY AT ALL,  
25 BUT LISTS IT AS AN ACCEPTABLE USE SOMEWHERE DOWN THE



1 LINE. AND THAT'S ALL IT DOES, AND THAT'S CONSISTENT  
2 WITH EVERY OTHER GOVERNMENTAL ACTION IN THE STATE OF  
3 CALIFORNIA.  
4 BOARD MEMBER RELIS: COULD I MAKE JUST A  
5 FURTHER OBSERVATION AND MAYBE LOOK FOR SOME COMMENT ON  
6 THIS? THE WAY I READ THIS RESOLUTION, AND I'M ALSO  
7 SURPRISED, I GUESS, AT THE REACTION BECAUSE I  
8 UNDERSTOOD THE CRITICISM THAT I HAD HEARD, THAT WE WERE  
9 SINGLING OUT TIRES AS AN INDIVIDUAL ACTION AGAINST  
10 WHICH WE WERE PULLING THEM OUT, AND ALL THE OTHER  
11 ACTIVITIES WERE KEPT ON THE SAME LEVEL AND THAT FROM  
12 THE ENVIRONMENTAL COMMUNITY, THAT WAS A CONCERN. AND  
13 FRANKLY, WHEN I GOT A COPY OF THIS, IT SEEMED TO ANSWER  
14 THAT. IT'S ALL ON A LEVEL PLAYING FIELD. DOESN'T  
15 SAY -- DOESN'T EVEN REFERENCE THE STUDY THAT YOU HAVE  
16 IMPUGNED THE QUALITY OF; THAT IS, THE DAMES & MOORE  
17 STUDY. THERE'S NO REFERENCE AS THERE WAS, I BELIEVE,  
18 IN THE EARLIER RESOLUTION THAT WE WERE ADOPTING AND  
19 WITH THAT RESOLUTION THE STUDY, THE FINDINGS OF THAT  
20 STUDY.  
21 SO I GUESS I'M JUST REALLY WONDERING,  
22 OTHER THAN NOT WANTING TIRES BURNED AT ALL, WHICH IS  
23 NOT A FRAMEWORK FOR THIS BOARD, AT LEAST UNDER OUR  
24 PRESENT LAWS, I THINK I COULD BE SUPPORTIVE TO GO AHEAD  
25 WITH THIS RESOLUTION, BUT THEN SEND -- I WOULD LIKE TO



1 SEE A PEER REVIEW OR SOMETHING OF THAT DAMES & MOORE  
2 STUDY BECAUSE THAT SEEMS TO BE THE ISSUE THAT, WELL, AT  
3 LEAST THIS MEMBER, WOULD NEED SOME COMFORT ON KNOWING  
4 THAT THAT'S BEING LOOKED AT OR AT LEAST THE INPUT IS  
5 BEING ANSWERED.

6 UNIDENTIFIED SPEAKER: IF YOU PASS THE  
7 RESOLUTION --

8 CHAIRMAN PENNINGTON: COME UP HERE AND STATE  
9 YOUR NAME SO WE KNOW --

10 BOARD MEMBER RELIS: LET ME JUST EXTEND. I  
11 WOULD ADD TO THAT THAT I THINK UNTIL THAT WORK IS DONE,  
12 YOU JUST KEEP THE RESOLUTION AS IT IS. DON'T GET -- IN  
13 MY VIEW, I WOULD NOT SUPPORT GOING AHEAD WITH AN  
14 EDUCATION PROGRAM AT THIS POINT OR WHATEVER THOSE OTHER  
15 ACTIVITIES ARE BECAUSE I THINK THEY'RE AMBIGUOUS IN  
16 LIGHT - - I AGREE THAT THEY WOULD NEED TO BE DISCUSSED  
17 IN THE CONTEXT OF THIS PARTICULAR RESOLUTION.

18 CHAIRMAN PENNINGTON: STATE YOUR NAME FOR THE  
19 RECORD, PLEASE.

20 MS. GHOU: DONNA GHOU. I -- I'M WONDERING  
21 IF YOU PASS THIS RESOLUTION TONIGHT, IS THERE ANY - - IS  
22 THERE ANY WAY IT CAN BE RESCINDED OR IS IT JUST A DONE  
23 DEAL?

24 BOARD MEMBER RELIS: MAY I JUST ASK WHAT IS  
25 YOUR -- IN TERMS OF RESCINDING WHAT?



1 MS. GHOUL: THE RESOLUTION. CAN YOU SAY, OH,  
2 SORRY. WE MADE A MISTAKE BECAUSE DAMES & MOORE ISN'T A  
3 VALID REASON?

4 BOARD MEMBER RELIS: SEE, I DON'T THINK YOU  
5 HEARD WHAT I SAID.

6 BOARD MEMBER GOTCH: I'M SORRY, PAUL. I DON'T  
7 MEAN TO INTERRUPT YOU.

8 CHAIRMAN PENNINGTON: GO AHEAD, PAUL.

9 BOARD MEMBER RELIS: THE RESOLUTION HERE THAT  
10 IS THE WORDED RESOLUTION I SEE IN FRONT OF ME DOES NOT  
11 REFERENCE OR INCLUDE THE DAMES & MOORE STUDY.

12 MS. GHOUL: BUT THE REASON THAT YOU FEEL IT'S  
13 ACCEPTABLE TO USE TIRES AS A FUEL SOURCE IN CEMENT  
14 KILNS IS THAT THERE ARE NO NEGATIVE HEALTH EFFECTS.

15 BOARD MEMBER RELIS: IT DOESN'T EVEN MENTION.

16 MS. GHOUL: SO IT'S OKAY IF THERE ARE NEGATIVE  
17 HEALTH EFFECTS? YOU ARE GOING TO BURN TIRES EVEN IF  
18 THERE ARE NEGATIVE HEALTH EFFECTS?

19 MR. CHANDLER: PERHAPS I COULD ENLIGHTEN A  
20 LITTLE BIT, AND, CAREN, JUMP IN HERE. IT WAS MY  
21 UNDERSTANDING THAT WHEN WE WORKED ON THIS, IT WAS NOT  
22 TO USE IT, THE DAMES & MOORE REPORT, AS A SPRINGBOARD  
23 FOR THE MODIFIED RESOLUTION; BUT, IN FACT, GIVEN ALL  
24 THE TESTIMONY THAT HAD BEEN GIVEN, AND GIVEN ALL THE  
25 LETTERS THAT HAVE COME IN OVER THE SEVERAL WEEKS,





1 INCLUDING RIGHT UP TO LAST EVENING, THAT WE TOOK INTO  
2 ACCOUNT THAT COMMENTARY AND FELT THAT PERHAPS A MORE  
3 APPROPRIATE RESOLUTION WOULD BE ONE WHERE WE  
4 REEMPHASIZED THE BOARD'S EMPHATIC SUPPORT FOR ALL  
5 INTEGRATED FORMS OF FINDING ALTERNATIVE MARKETS FOR  
6 WASTE TIRES. IT IS NOT TO IMPLY THAT THIS RESOLUTION  
7 NOW IS BEING BILLED ON THE SPRINGBOARD OF THE DAMES &  
8 MOORE REPORT OR, FRANKLY, YOUR DOCUMENT OR ANY OTHER  
9 REPORT. IT IS A CLARIFICATION OF PUBLIC POLICY OF WHAT  
10 THIS BOARD SEES AS THE IMPORTANCE OF DEVELOPING  
11 ALTERNATIVE MARKETS FOR WASTE TIRES.

12 MS. TRGOVCICH: MAYBE JUST TO ADD ONTO THAT, I  
13 THINK WHAT WAS SAID AT THE OUTSET OF THE ITEM TODAY WAS  
14 THAT THE DAMES & MOORE REPORT WAS INTENDED TO BE A  
15 COMPILATION OF DATA. IF, IN FACT, THERE ARE ERRORS IN  
16 THAT COMPILATION, THAT IS CERTAINLY ONE THAT WE WILL  
17 PURSUE. BUT WE STATED AT THE OUTSET AND IT WAS  
18 RESTATED THAT WE NEVER INTENDED THIS TO BE, NOR WAS IT  
19 IN THE SCOPE OF WORK, THAT THIS BE AN ASSESSMENT OF THE  
20 HEALTH RISKS. THAT IS NOT THE ROLE OF THIS BOARD.  
21 THAT IS THE ROLE OF THE LOCAL AIR POLLUTION CONTROL  
22 DISTRICTS OR AIR QUALITY MANAGEMENT DISTRICTS, AND WE  
23 DO NOT INTEND TO ASSERT THAT AUTHORITY.  
24 SO THAT THE RESOLUTION, EVEN GOING BACK  
25 TO ITS ORIGINAL PROPOSAL, AS I UNDERSTAND, BACK IN



1 SEPTEMBER, OCTOBER WAS BASED NOT JUST ON THE  
2 COMPILATION, BUT ON THE RECOMMENDATIONS OF THE LOCAL  
3 AIR QUALITY MANAGEMENT DISTRICTS, AIR POLLUTION CONTROL  
4 DISTRICTS, THEIR INDIVIDUAL SPECIFIC TEST RESULTS. IT  
5 WAS A COMPILATION OF INFORMATION. DAMES & MOORE, YES,  
6 BRINGS A LOT OF THAT TOGETHER, BUT THOSE INDIVIDUAL  
7 PERMIT ACTIONS ALSO STAND ON THEIR OWN. AND THAT WAS A  
8 LARGE PART OF THE BASIS FOR THE BOARD'S ORIGINAL  
9 MOVEMENT INTO THIS DIRECTION, LOOKING AT THIS MARKET  
10 ALTERNATIVE AS BEING ON PAR WITH THE OTHERS.

11 MS. GHOUL: WELL, THE KERN COUNTY TIRE BURNING  
12 WAS STOPPED IN THE COURTS, AND THIS WAS A LOCAL AIR  
13 QUALITY ISSUE.

14 BOARD MEMBER RELIS: THAT WOULD CONTINUE.

15 BOARD MEMBER JONES: THIS DOESN'T CHANGE THAT.

16 BOARD MEMBER FRAZEE: THAT WAS ON A TECHNICAL  
17 ISSUE OF WHETHER CEQA WAS COMPLIED WITH, NOT WHETHER IT  
18 WAS APPROPRIATE TO BURN TIRES OR NOT.

19 MR. CHANDLER: MR. CHAIRMAN, I'D THINK I'D  
20 LIKE COUNSEL TO SPEAK TO THE QUESTION THAT WAS RAISED  
21 EARLIER BY A SPEAKER AND NOW IN THE AUDIENCE AS TO  
22 WHETHER OR NOT CEQA HAS BEEN, IN FACT, COMPLIED WITH OR  
23 HAS RELEVANCY HERE.

24 MS. TOBIAS: IT'S MY OPINION THAT THE ADOPTION  
25 OF THIS POLICY BY THE BOARD DOES NOT RISE TO THE LEVEL



1 OF A PROJECT AS DEFINED UNDER CEQA UNDER THE GUIDELINE  
2 SECTIONS 15378.  
3 THE CASE THAT ONE OF THE SPEAKERS ALLUDED  
4 TO, I THINK, WAS THE LAUREL HEIGHTS DECISION, WHICH  
5 TALKS ABOUT AN ACTIVITY THAT MAY CAUSE A CHANGE. THE  
6 IMPORTANT THING THAT THE COURTS HAVE REALLY ADDRESSED  
7 THERE, WHEN YOU'RE LOOKING AT WHETHER AN ACTIVITY IS A  
8 PROJECT OR NOT, IS THE IDEA OF CAUSATION. DOES THE  
9 ACTION THAT YOU ARE ABOUT TO TAKE HAVE THE ABILITY OR  
10 THE POTENTIAL TO CAUSE SOME ADVERSE ENVIRONMENTAL  
11 EFFECT?  
12 AND I THINK IN THIS CASE, WITH THE FACT  
13 THAT IT IS A POLICY AND THE FACT THAT IT REALLY, EITHER  
14 THE ORIGINAL OR THE REVISED RESOLUTION, HAS ALWAYS BEEN  
15 BASED ON THE FACT THAT ANY INDIVIDUAL PROJECT WOULD BE  
16 GOING THROUGH ENVIRONMENTAL REVIEW, SO I DON'T BELIEVE  
17 CAUSATION IS A FACTOR HERE.  
18 I'LL ALSO SAY AS FAR AS THE KERN COUNTY  
19 CASE THAT, FIRST OF ALL, THAT IS -- ALTHOUGH IT'S AN  
20 APPELLATE CASE, IT'S AN UNPUBLISHED CASE, SO IT'S NOT  
21 CITABLE AS AUTHORITY.  
22 SECONDLY, AS BOARD MEMBER FRAZEE JUST  
23 REFERRED TO, THE CASE PRIMARILY CONCERNS THE EXHAUSTION  
24 OF ADMINISTRATIVE REMEDIES. THE TRIAL COURT DID FIND  
25 THAT AN EXEMPTION WAS NOT APPROPRIATE FOR THE AIR



1 DISTRICT'S ACTION, BUT THEY BASE THAT ON THE FACT THAT  
2 THAT ACTION HAD ELEMENTS OF BOTH ADMINISTERIAL ACTION  
3 AND A DISCRETIONARY ACTION, AND IN THAT CASE THE  
4 DISTRICT SHOULD HAVE DONE IT ALL BASED ON A  
5 DISCRETIONARY ACTION.

6 SO I FEEL, AS MR. FRAZEE SAID, THAT THIS  
7 IS REALLY NOT ONLY A TECHNICAL ISSUE, BUT IT REALLY HAS  
8 NOTHING TO DO WITH THE ACTION IN FRONT OF THE BOARD  
9 TODAY.

10 CHAIRMAN PENNINGTON: OKAY. THANK YOU. MR.  
11 JONES.

12 BOARD MEMBER JONES: MR. CHAIRMAN, I'D LIKE TO  
13 MAKE A MOTION THAT THE BOARD ADOPT THE NEW RESOLUTION  
14 98-03, WHICH IS THE ADOPTION OF A POLICY TO SUPPORT THE  
15 DEVELOPMENT OF MARKETS FOR WASTE TIRES. AND I THINK  
16 EVERYBODY HAS A COPY. I DON'T THINK I HAVE TO READ IT  
17 ALL.

18 BOARD MEMBER RELIS: MR. JONES, A CLARIFICA-  
19 TION NOW. THAT DOESN'T REFER TO THE -- WHAT ARE WE  
20 DOING -- THERE'S NOTHING ON THE -- BECAUSE THAT WAS A  
21 QUESTION THAT WAS BROUGHT UP. WHAT ARE WE GOING TO DO  
22 WITH THE BODY OF THE, I GUESS, THE TEXT?

23 BOARD MEMBER JONES: THE ORIGINAL -- OF THIS,  
24 THE ORIGINAL THING?

25 BOARD MEMBER RELIS: IF THAT MEANS TABLE THAT,



1 THEN I CAN SUPPORT THIS.

2 BOARD MEMBER JONES: WE CAN TABLE THAT. WHAT  
3 WE DO NORMALLY, YOU KNOW, WE DO, LIKE MARTHA GOING TO  
4 DAVIS STREET, THOSE TYPES OF THINGS ON THE CRUMB RUBBER  
5 THING. BUT WE DIDN'T HAVE -- I'M NOT SAYING THAT WE DO  
6 ANY OF THE BROCHURES OR ANY OF THAT STUFF. WE JUST  
7 CONTINUE TO ENDORSE ALL OF THE MARKETS AND GET AWAY  
8 FROM THIS.

9 BOARD MEMBER RELIS: SO THE PROMOTIONAL SIDE  
10 OR WHATEVER IS BEING ALLEGED, THAT WON'T BE PART OF  
11 THIS.

12 BOARD MEMBER JONES: RIGHT.

13 BOARD MEMBER RELIS: WHAT ABOUT THE DAMES &  
14 MOORE? IS THAT -- ARE WE --

15 BOARD MEMBER JONES: THAT'S NOT PART OF THIS  
16 RESOLUTION. THAT'S WHY I DIDN'T REFER TO IT.

17 BOARD MEMBER RELIS: THEN I'LL MAKE A SEPARATE  
18 ACTION ON THAT.

19 MS. TRGOVCICH: MR. CHAIRMAN, JUST TO CLARIFY  
20 FOR MEMBER RELIS, THE STAFF RECOMMENDATION WAS THE  
21 ADOPTION OF A POLICY. MEMBER JONES HAS SUBSTITUTED AN  
22 ALTERNATIVE, SO THAT STAFF RECOMMENDATION IS NOT WHAT  
23 IS BEING PURSUED BY THE BOARD ACTION.

24 CHAIRMAN PENNINGTON: GOOD. OKAY. IS  
25 EVERYBODY CLEAR ON THIS THEN? ARE WE READY? YES, MR.



1 FRAZEE.

2 UNIDENTIFIED SPEAKER: MAY I MAKE A COMMENT?

3 CHAIRMAN PENNINGTON: NO. NO. WE'RE ABOUT TO  
4 VOTE. CALL THE ROLL, PLEASE.

5 THE SECRETARY: BOARD MEMBER CHESBRO. ABSENT.

6 FRAZEE.

7 BOARD MEMBER FRAZEE: AYE.

8 THE SECRETARY: GOTCH.

9 BOARD MEMBER GOTCH: NO, AND THE REASON IS  
10 THAT THIS POLICY IS UNNECESSARY. IT MERELY RESTATES  
11 BOARD FINDINGS AND POLICIES.

12 THE SECRETARY: JONES.

13 BOARD MEMBER JONES: AYE.

14 THE SECRETARY: RELIS.

15 BOARD MEMBER RELIS: AYE.

16 THE SECRETARY: CHAIRMAN PENNINGTON.

17 CHAIRMAN PENNINGTON: AYE. MOTION CARRIES.

18 BOARD MEMBER RELIS: I WOULD LIKE TO SUGGEST  
19 WE DISCUSS FOR A MOMENT THE DAMES & MOORE REPORT. I --  
20 WE HAVEN'T BEEN IN A SITUATION, I THINK, WHERE WE HAVE  
21 A BASIC UNDERLYING STUDY OR SOMETHING THAT WE'VE  
22 COMMISSIONED CHALLENGED TO THIS DEGREE, SO I'M LOOKING  
23 FOR -- WE COULD EITHER --

24 CHAIRMAN PENNINGTON: I THINK WHAT WE COULD DO  
25 HERE WITH THIS IS WE HAVE A NEW POLICY TO HAVE SOME



1 EXTERNAL PEER REVIEW. WE'VE HAD IT GO THROUGH PEER  
2 REVIEW AT THE AIR RESOURCES BOARD, AND WE'VE ALSO HAD  
3 IT GO THROUGH A REVIEW AT OEHHA AND -- BUT WE COULD GO  
4 TO AN EXTERNAL. WE COULD -- THE AGENCY HAS SET UP AN  
5 EXTERNAL PROCEDURE.

6 BOARD MEMBER RELIS: I THINK WE SHOULD DO IT,  
7 I MEAN, WITH THIS TESTIMONY.

8 MR. CHANDLER: LET ME JUST OFFER ONE  
9 PERSPECTIVE AND WE CAN DO THAT. BUT IN SENDING THE  
10 REPORT TO THE OFFICE OF HEALTH HAZARD ASSESSMENT, WE  
11 SPECIFICALLY ASKED UNDER THE GUIDELINES OF PEER REVIEW  
12 DOES THE DAMES & MOORE REPORT FALL WITHIN THE  
13 GUIDELINES OF THE AGENCY'S CRITERIA FOR PEER REVIEW? AS  
14 YOU ALL KNOW, IN YOUR PACKET THE RECORD HAS A  
15 CONCLUSION FROM THE DIRECTOR, JOAN DENTON, PH.D., NEWLY  
16 APPOINTED TO THE OFFICE OF HEALTH HAZARD ASSESSMENT,  
17 THAT SAYS, "IN SUMMARY, OEHHA CONCURS WITH THE BOARD  
18 THAT THE REPORT DOES NOT CONTAIN ANY ANALYSIS THAT  
19 WOULD REQUIRE PEER REVIEW AS A HEALTH RISK ASSESSMENT."  
20 OEHHA DOES SUGGEST THAT SOME WRITTEN  
21 STATEMENTS BE INCLUDED WITH THE REPORT THAT HEALTH  
22 RISKS WERE NOT ANALYZED AND THE FINDINGS ONLY RELATE TO  
23 A COMPARISON OF EMISSIONS FROM THE FACILITY STUDY.  
24 SO I WANT TO MAKE SURE WE DON'T START  
25 GOING DOWN A PATH OF ATTEMPTING TO DO SOMETHING WITH



1 THIS REPORT THAT THIS BOARD HAS NEVER INTENDED THIS  
2 REPORT TO TAKE ON.

3 NOW, WE CAN -- I'LL ENTERTAIN A MOTION  
4 AROUND -- OBVIOUSLY THE STAFF WILL DO WHATEVER THE  
5 MOTIONS ENTERTAIN, BUT WE NEED TO BE CAREFUL WHAT WE'RE  
6 ATTEMPTING TO DO HERE.

7 BOARD MEMBER RELIS: WHAT, THEN, IS THE STATUS  
8 OF THE REPORT?

9 MR. CHANDLER: REPORT WAS APPROVED BY THE  
10 BOARD, I BELIEVE, LAST CALENDAR YEAR.

11 MS. TRGOVCICH: IN SEPTEMBER IT WAS APPROVED.  
12 I WOULD LIKE TO OFFER FROM THE STAFF  
13 PERSPECTIVE THAT THERE WERE SEVERAL ISSUES BY SEVERAL  
14 MEMBERS OF THE AUDIENCE. AND AS A FIRST STEP, THAT WE  
15 WOULD TAKE WITH ANY CONTRACTOR, ALBEIT THIS CONTRACT IS  
16 NO LONGER IN EXISTENCE, THE FIRST THING THAT WE WOULD  
17 DO IS OFFER THE CONTRACTOR WITH THE OPPORTUNITY TO  
18 RESPOND TO THE ISSUES THAT HAVE BEEN RAISED, IN THIS  
19 CASE THE ALLEGATIONS. IT IS THE SAME THING THAT WE  
20 OFFERED, FOR EXAMPLE, TO MR. SCHWARTZ IN RESPONDING TO  
21 ALLEGATIONS PERTAINING TO THE REPORT THAT HE PUBLISHED.  
22 WE OFFER THIS OPPORTUNITY WHENEVER  
23 ALLEGATIONS ARISE. SO THE FIRST STEP THAT WE AS STAFF  
24 WOULD LIKE TO TAKE -- AND I'M GOING TO INTERRUPT  
25 MYSELF HERE -- AND IT IS THE SAME THING THAT WE DID AS





1 IT PERTAINED TO THE CHICO STATE REPORT PERTAINING TO  
2 THE LEVEE CONSTRUCTION PROJECT WHEN ALLEGATIONS WERE  
3 RAISED. THE FIRST THING WE DO IS WE GO BACK TO THE  
4 PREPARER OF THE REPORT, WE IDENTIFY SPECIFICALLY THE  
5 ALLEGATIONS, AND ASK FOR A RESPONSE. AND I WOULD LIKE  
6 TO PURSUE THAT AS A FIRST COURSE OF ACTION.

7 CHAIRMAN PENNINGTON: HOW'S THAT?

8 BOARD MEMBER FRAZEE: THAT'S APPROPRIATE.

9 MR. CHANDLER: THAT'S THE STAFF DIRECTION  
10 THEN.

11 CHAIRMAN PENNINGTON: OKAY. SO YOU ARE SO  
12 DIRECTED TO DO THAT. OKAY. DO YOU HAVE ANY MORE  
13 QUESTIONS, MR. RELIS?

14 BOARD MEMBER RELIS: NO.

15 MR. WELLS: MR. CHAIRMAN, I JUST WANT TO SAY  
16 TWO QUICK COMMENTS. ONE IS THERE'S BEEN NO ISSUE  
17 BROUGHT OUT TO THE FACT THAT RUBBERIZED ASPHALT, THAT  
18 STATE OF WASHINGTON HAS DONE TWO EXPERIMENTS WITH THAT  
19 AND THEY'VE CAUGHT ON FIRE.

20 BOARD MEMBER JONES: THAT WASN'T RUBBERIZED  
21 ASPHALT. THAT WAS A ROADWAY BUILT WITH 20 FEET DEEP OF  
22 CHIPS.

23 MR. WELLS: MY MISINFORMATION. I BEG YOUR  
24 PARDON.

25 CHAIRMAN PENNINGTON: WE HAVE ONE MORE ITEM TO



1 GO. SO IF YOU'LL PARDON US, WE'LL GET ON.

2 MR. WELLS: OKAY. JUST THE ONE OTHER QUICK  
3 THING. I RECEIVED AN A IN STATISTICS FROM STATE  
4 UNIVERSITY, SO I HAVE A LITTLE KNOWLEDGE OF STATISTICS,  
5 AND I'D LIKE YOU TO ALSO INCLUDE THE PROBABILITY OF  
6 RISK FOR TIRE FIRES VERSUS THE PROB- -- VERSUS THE  
7 PROBABILITY OF THEM NOT CATCHING AFIRE.

8 (RECESS TAKEN.)

9 CHAIRMAN PENNINGTON: THANK YOU. OKAY.  
10 LET'S GET ON WITH THIS FINAL ITEM HERE. CONSIDERATION  
11 OF CRITERIA THAT WOULD BE USED IN THE DETERMINATION OF  
12 BOARD SUPPORT FOR SPONSORING REQUESTS. RUBIA PACKARD.  
13 IT'S GETTING LATE. I MEAN IT'S WAY PAST MARTINI TIME.

14 MS. PACKARD: WELL, WHEN I FIRST WROTE THESE  
15 REMARKS, IT SAID GOOD MORNING, AND THEN I CHANGED IT TO  
16 GOOD AFTERNOON, AND NOW IT'S GOOD EVENING, CHAIRMAN  
17 PENNINGTON AND BOARD MEMBERS. IN THE INTEREST OF TIME  
18 AND THE FACT THAT WE'VE ALL BEEN HERE FOR A VERY LONG  
19 DAY, WE ARE GOING TO JUST VERY BRIEFLY TELL YOU WHAT  
20 THIS ITEM IS ABOUT. AND THEN IF YOU HAVE ANY  
21 QUESTIONS, WE'LL BE HAPPY TO ANSWER THEM.  
22 IF YOU RECALL, AT -- I'M SORRY -- FOR THE  
23 RECORD, MY NAME IS RUBIA PACKARD WITH THE POLICY AND  
24 ANALYSIS OFFICE. IF YOU RECALL, AT THE NOVEMBER 19TH  
25 BOARD MEETING, THE BOARD APPROVED \$40,000 FROM THE



1 INTEGRATED WASTE MANAGEMENT ACCOUNT FOR SPONSORSHIP AND  
2 PARTNERSHIP REQUESTS FROM EXTERNAL PARTIES. AT ITS  
3 DECEMBER 17TH MEETING THE BOARD ALLOCATED 10,000 OF  
4 THAT 40,000 TO THE SHOP SMART CAMPAIGN, LEAVING \$30,000  
5 TO ALLOCATE TO SPONSORSHIP REQUESTS.  
6 AT THE SAME TIME THE BOARD DIRECTED STAFF  
7 TO DEVELOP CRITERIA THAT WOULD BE USED IN DETERMINING  
8 WHICH SPONSORSHIP REQUESTS SHOULD BE FUNDED OUT OF THE  
9 REMAINING \$30,000 AND ALSO TO MAKE RECOMMENDATIONS ON  
10 WHICH OF THE REQUESTS THAT ARE CURRENTLY IN-HOUSE  
11 SHOULD BE FUNDED.  
12 IT WAS AGREED THAT THE CRITERIA WOULD BE  
13 BROUGHT TO THE BOARD AT TODAY'S BOARD MEETING, AND THE  
14 RECOMMENDATIONS FOR FUNDING WOULD FOLLOW AT THE  
15 FEBRUARY 10TH ADMINISTRATION COMMITTEE MEETING. AND I  
16 UNDERSTAND THAT THE ITEM ON THE ACTUAL FUNDING HAS BEEN  
17 NOTICED FOR THE FEBRUARY 11TH BOARD MEETING. SO TODAY  
18 YOU WILL BE HEARING THE CRITERIA, AND IN FEBRUARY YOU  
19 WILL BE HEARING THE RECOMMENDATIONS FOR FUNDING FOR  
20 ALLOCATING THE ACTUAL 30,000 TO ANY NUMBER OF REQUESTS  
21 THAT WE HAVE.  
22 I THINK THAT'S ALL I HAVE. AND BOBBY  
23 WILL GO THROUGH WHAT WE DID REALLY QUICKLY, VERY  
24 QUICKLY, AND THEN WE CAN ANSWER ANY QUESTIONS THAT YOU  
25 HAVE.



1 CHAIRMAN PENNINGTON: OKAY. FINE. THANK YOU.

2 MS. GARCIA: HI, BOBBY GARCIA WITH POLICY AND

3 ANALYSIS OFFICE. AS YOU KNOW, THE BOARD PERIODICALLY

4 RECEIVES REQUESTS FOR SPONSORSHIPS. AND UP TILL THIS

5 TIME THE BOARD HAS NOT EVER USED A FORMAL OR A

6 STRUCTURED CRITERIA IN ORDER TO ASSESS BOARD SUPPORT OF

7 THOSE REQUESTS. AND TO DATE AT THIS TIME THE BOARD HAS

8 RECEIVED APPROXIMATELY 12 REQUESTS FOR BOARD SUPPORT

9 EITHER IN THE FORM OF IN-KIND SERVICES OR ACTUAL DOLLAR

10 CONTRIBUTION.

11 ON PAGE -- TABLE 2 OF THE ITEM, PAGES

12 21-3 TO 4, WE ACTUALLY SHOW YOU A LISTING OF 11 OF

13 THOSE REQUESTS WE ARE CURRENTLY AWARE OF. THE CRITERIA

14 THAT THE BOARD DEVELOPED WAS WITH USE OF AN INTER-

15 DIVISIONAL TEAM THAT CONSISTED OF PEOPLE THAT HAVE

16 WORKED WITH GRANT CRITERIA WITH THE BOARD, AS WELL AS

17 SPONSORSHIP REQUESTS IN THE PAST, AND ALSO HAVE THE

18 EXPERTISE IN THE SUBJECT AREA THAT WAS BEING PROPOSED

19 BY SOME OF THE REQUESTS THAT WE RECEIVED.

20 VERY QUICKLY, I JUST WANT TO TELL YOU

21 WHAT THE FINDINGS WERE AND GOING TO THE CHASE OF WHAT

22 THE CRITERIA WILL GIVE TO THE BOARD. IT WILL ALLOW THE

23 BOARD TO HAVE A CONSISTENT APPROACH BY HAVING ALL THE

24 SPONSORSHIP REQUESTS BEING EVALUATED BY USING THE SAME

25 QUESTIONS OR CRITERIA. IT PROVIDES AN EQUITABLE REVIEW



1 PROCESS BECAUSE EVERY REQUEST WILL BE EVALUATED THE  
2 SAME WAY OR AGAINST THE SAME SET OF QUESTIONS OR  
3 CRITERIA. IT ALLOWS FLEXIBILITY SO THAT THE BOARD CAN  
4 DEAL WITH APPLES AND ORANGES SINCE THESE SPONSORSHIP  
5 REQUESTS REPRESENT A WIDE DISPARITY BETWEEN ACTIVITIES  
6 AND SUBJECTS THAT ARE BEING PROPOSED, AND IT WILL ALLOW  
7 THOSE REQUESTS THAT HAVE THE HIGHEST MERIT TO BE  
8 SELECTED FOR BOARD SUPPORT.  
9 AND THE OPTIONS THAT WE HAVE BEFORE THE  
10 BOARD TODAY ARE, ONE, TO APPROVE THE CRITERIA AS IT'S  
11 PRESENTED, TO MODIFY AND ADOPT THAT PROPOSED CRITERIA  
12 TODAY, OR TO PROVIDE STAFF WITH GUIDANCE AND HAVE US GO  
13 BACK TO MODIFY THE PROPOSAL, OR TO TAKE NO ACTION. AND  
14 WE RECOMMEND, OF COURSE, THAT YOU APPROVE THE CRITERIA  
15 AS WE PRESENTED TODAY.

16 CHAIRMAN PENNINGTON: OKAY. ANY QUESTIONS  
17 FROM THE BOARD.  
18 MR. DAVID WELLS WANTS TO ADDRESS US ON  
19 THIS. NOW, I'M GOING TO GIVE YOU TWO MINUTES, SO GET  
20 RIGHT TO THE POINT.

21 MR. WELLS: THAT'S FINE. THANK YOU. I BEG  
22 YOUR PARDON FOR MY POLITICAL NAIVETE. I'M SERIOUS  
23 ABOUT THAT. I REALLY DO BEG YOUR PARDON FOR THAT.  
24 I WANTED TO MAKE THE POINT WHILE THOSE  
25 FOLKS WERE HERE THAT, YOU KNOW, IT'S SIMPLE LOGIC THAT



1 THE STATISTICAL PROBABILITY OF AN ARSONIST SETTING OFF

2 A MAJOR ENVIRONMENTAL CATASTROPHE VERSUS --

3 CHAIRMAN PENNINGTON: MR. WELLS, THIS IS THE  
4 ITEM RIGHT HERE.

5 MR. WELLS: THIS IS ABOUT INFORMATION TO THE  
6 PUBLIC, CORRECT?

7 CHAIRMAN PENNINGTON: NO.

8 MR. WELLS: AND FUNDING ORGANIZATIONS.

9 CHAIRMAN PENNINGTON: RIGHT.

10 MR. WELLS: FUNDING ORGANIZATIONS TO GIVE  
11 INFORMATION TO THE PUBLIC.

12 CHAIRMAN PENNINGTON: THIS IS THE CRITERIA BY  
13 WHICH WE WILL DECIDE HOW TO FUND NONPROFIT ORGANIZA-  
14 TIONS. IT'S CRITERIA. SO LET'S TALK ABOUT THE  
15 CRITERIA.

16 MR. WELLS: OKAY. THANKS FOR YOUR GUIDANCE  
17 AND TOLERANCE HERE. WHAT I'M TRYING TO SAY IS I THINK  
18 IT OUGHT TO BE PART OF THE CRITERIA THAT PEOPLE GET  
19 CORRECT INFORMATION ABOUT STATISTICAL PROBABILITY OF  
20 CONTROLLED BURNING VERSUS UNCONTROLLED BURNING AND  
21 ARSONISTS.

22 CHAIRMAN PENNINGTON: YOU ARE A MASTER AT  
23 GETTING OFF OF EXACTLY WHAT WE'RE TALKING ABOUT.  
24 WE'RE NOT TALKING ABOUT TIRE BURNING NOW. WE'RE  
25 TALKING ABOUT THE CRITERIA BY WHICH WE DECIDE WHO WE



1 SPONSOR, WHO WE GIVE SPONSORSHIP MONEY TO. HAS NOTHING  
2 TO DO WITH TIRE BURNING.

3 MR. WELLS: I UNDERSTAND THAT, BUT THE RISK  
4 INVOLVED OF HAZARDS.

5 CHAIRMAN PENNINGTON: NOTHING HAS TO DO WITH  
6 THAT. WE'RE HERE TO TALK ABOUT HOW WE DECIDE WHO WE'RE  
7 GOING TO SPONSOR.

8 MR. WELLS: I UNDERSTAND THAT. AND THE  
9 CRITERIA -- PART OF THE CRITERIA OF EVALUATION IS  
10 WHETHER OR NOT THEY UNDERSTAND THE FULL RISKS. THAT'S  
11 ALL I'M SAYING.

12 CHAIRMAN PENNINGTON: OKAY. THANK YOU.

13 BOARD MEMBER JONES: MR. CHAIRMAN.

14 CHAIRMAN PENNINGTON: YES. MR. JONES.

15 BOARD MEMBER JONES: I WANT TO MAKE A MOTION  
16 TO ACCEPT STAFF'S RECOMMENDATION ON THIS, WHICH IS --

17 BOARD MEMBER FRAZEE: RESOLUTION 98-30.

18 BOARD MEMBER JONES: THANK YOU. MR. FRAZEE, I  
19 APPRECIATE THAT.

20 CHAIRMAN PENNINGTON: WHY DON'T YOU SECOND HIS  
21 MOTION?

22 BOARD MEMBER JONES: I'LL SECOND YOUR MOTION.

23 CHAIRMAN PENNINGTON: WE GOT THAT? ANY  
24 FURTHER DISCUSSION? IF NOT, WILL THE SECRETARY CALL  
25 THE ROLL, PLEASE.



1 THE SECRETARY: BOARD MEMBER CHESBRO. ABSENT.  
2 FRAZEE.  
3 BOARD MEMBER FRAZEE: AYE.  
4 THE SECRETARY: GOTCH.  
5 BOARD MEMBER GOTCH: AYE.  
6 THE SECRETARY: JONES.  
7 BOARD MEMBER JONES: AYE.  
8 THE SECRETARY: RELIS.  
9 BOARD MEMBER RELIS: AYE.  
10 THE SECRETARY: CHAIRMAN PENNINGTON.  
11 CHAIRMAN PENNINGTON: AYE. MOTION CARRIES.  
12 WE WILL NOW ADJOURN UNTIL 9:30 TOMORROW  
13 MORNING.  
14 BOARD MEMBER JONES: NO OPEN DISCUSSION?  
15 CHAIRMAN PENNINGTON: NO, NOT UNTIL TOMORROW.  
16 I SAW MR. WELLS SITTING DOWN THERE.  
17 (THE MEETING WAS THEN RECESSED AT 8:35  
18 P.M.)  
19  
20  
21  
22  
23  
24  
25





## *Reporter's Certificate*

\* \* \* \* \*

I, Beth C. Drain hereby certify:

that on the 28th day of  
January, 1998, I did report in  
shorthand the testimony of the foregoing  
proceedings;

that on the conclusion of the above entitled  
matter, I did transcribe my shorthand notes into  
typewriting;

that the foregoing transcript is a true and correct  
record of my shorthand notes thereof.

Beth C. Drain

Certified Shorthand Reporter  
Certificate No. 7152

